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REASON

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December 1996

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By Mick Kronman

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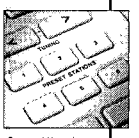

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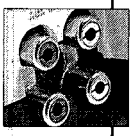

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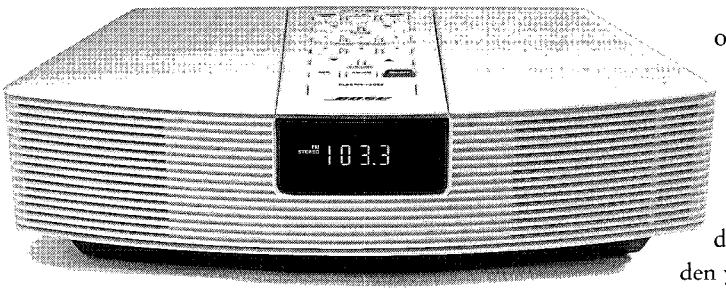

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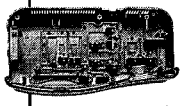

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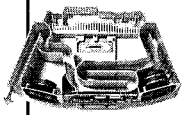

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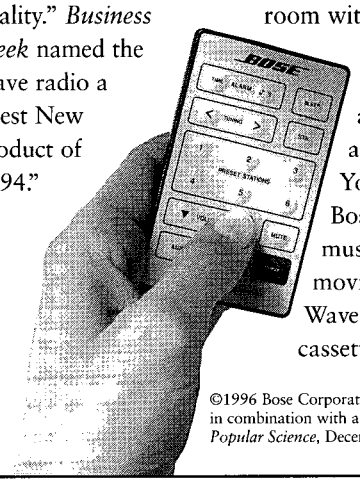

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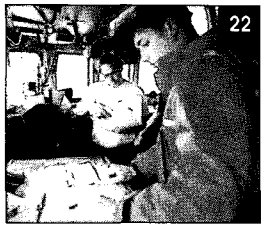

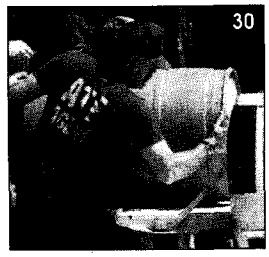

FEATURES

22 ■ Fishing Expeditions
Mick Kronman
Why fishermen who used to welcome the Coast Guard have started to dread it.

30 ■ Raiding the Vipers' Nest
Alan W. Bock
The BATF claims "Team Viper" was a radical militia bent on committing terrorist acts—but where is the evidence?

SPECIAL BOOK SECTION

36 ■ Art and Artifacts
Walter Truett Anderson, Stephen Cox, Penn Jillette, Jonathan Kochmer and Jeff Bezos, Bart Kosko, Brink Lindsey, et alia
Prison reading for the Unabomber—the brighter side of technology.

46 ■ Actual Knowledge
Jacob Sullum
What did smokers know about tobacco, and when did they know it?

53 ■ Bye-Bye American Pie
Nick Gillespie
Reports of the death of the American Dream are greatly exaggerated.

59 ■ Learning Curve
Mark S. Miller
Exploring spontaneous orders.

EDITORIALS

4 ■ Medical Meddling
Virginia I. Postrel
Who's afraid of managed care?

7 ■ The Unimportant Nations
Brian Doherty
With no hysteria, get out of the UN!

8 ■ Wedding Bell News
Nick Gillespie
Same-sex marriage and social evolution.

COLUMNS

65 ■ Natural Disasters: Gouge Away
John Hood
Hurricanes and the politics of prices.

67 ■ Environment: Smogged Down
Lynn Scarlett
Pollution-hating Californians discover there's no free lunch.

71 ■ Regulation: Play (Regulated) Ball!
John Berlau
The Consumer Product Safety Commission toys with kids' sports.

74 ■ Selected Skirmishes: Kathie Lee & Me
Thomas W. Hazlett
Downsize these moral poseurs!

DEPARTMENTS

10 ■ Letters
Irish ire, term limits limited?...

14 ■ Brickbats
The lawnmower man, liquor license...

16 ■ Trends
Choice cuts, border report...

Cover illustration: Jae Shim

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Medical Meddling

By Virginia I. Postrel

Who's afraid of managed care?

I WOULD BE EXTREMELY UPSET IF SOMEone put an initiative on the California ballot outlawing the payment of salaries to journalists. Quality journalism, the initiative's authors might say, requires per-story payment; many of the profession's finest have made their living that way. Paying salaries to journalists, they'd argue, means people can make money even when they aren't working. A salary system rewards people who undersupply articles and punishes those who turn out lots of them. And there's no incentive to do a good job on the articles you do write, since you get paid either way.

To anyone in the business, those arguments sound absurd. They assume that no competition or feedback exists, that you can work badly or not at all and still draw a paycheck indefinitely. And they ignore factors like predictability, continuity, and quality control, which favor salaried professionals over freelancers. Pay systems have evolved in a competitive marketplace to meet the needs of publications, journalists, and readers. Not surprisingly, then, there are many very good reasons that most publications rely at least partly on salaried staff. No one from the outside has enough knowledge—or enough chutzpah—to second-guess the system, certainly not by outlawing entire methods of compensation.

The same cannot be said for health care.

ClintonCare may be dead, but its bossy spirit lingers on, possessing people of all political parties and persuasions. Left, right, even libertarian—throughout American politics, just about everyone who's anyone believes that there is one best way to deliver and pay for medical services. And nobody, it seems, knows the ins and outs of how to run a health care operation like the members of Congress, state legislators, and the general voting public.

So it is that in its waning days, the supposedly deregulatory Republican Congress passed a new law requiring all health plans to keep women in the hospital at least 48 hours after childbirth. At least a dozen states have enacted similar statutes, while others are dictating the terms of doctors' contracts with managed-care organizations. Regulatory initiatives were on several state ballots. Oregon's "Patient Protection Act," for instance, decreed that the state's physicians could be paid by only five specific methods: no innovation, however voluntary, allowed. Its sponsor was a politically conservative ophthalmologist.

Managed health care organizations are to the 1990s what oil companies were to the 1970s—the businesses everyone loves to hate but doesn't really want to do without. They're safe targets for both market-hating leftists and change-hating conservatives. The former, stung by the defeat of ClintonCare and still lusting for Canadian-style single-payer medicine, are particularly zealous. "A massive backlash against the market's prescription has emerged," writes leftist economics columnist Robert Kuttner. "Despite the general swing of politics to the right and the prestige of 'free market' solutions, it is becoming clear to voters and politicians alike that the private market is incapable of solving the health care problem."

One HMO-basher argued on a pre-election L.A. public affairs show that a health care initiative was a great deal because it would be funded by a special tax on just eight unlucky Californians—managed care executives who make too much money. He was a man of the left, but conservative Republicans mouth the same sentiments. Colorado state Rep. Martha Kreutz told *The New York Times* that she had sponsored a regulatory bill because she was, in the reporter's paraphrase, "offended by the large salaries paid to some H.M.O. executives."

MEDICINE IS A COMPLEX, AGGRAVATING, expensive, and often scary business. Just about everybody has had some kind of annoying health care experience: a misdiagnosis; ineffective or painful treatments; an insurance snafu; obstinate bureaucrats; a shockingly high bill; a cold, patronizing, or semi-competent physician. Medicine is also an extremely challenging art: No two bodies operate exactly the same; the amount of knowledge to master and apply is enormous and always growing; experts disagree over proper procedures; judgment calls are constant and, inevitably, sometimes wrong in hindsight.

Given the stresses in any health care system, then, it's not surprising that major changes in medical practices and organization engender more fear and aggravation. They provide a handy scapegoat for all medical misadventures. The result is regulation designed to stop change, to impose a static, familiar system.

And many doctors are eager to feed the backlash. "We believe the whole concept of managed care is spurious," Carl Weber, a White Plains surgeon, told *The New York Times*. "It is predicated on financial incentives to restrict care and access to care." What such doctors want is unlimited care, paid for on a fee-for-service basis—a system with strong incentives to overtreat and overtest, behavior just as "unethical" (or as subject to financial considerations and judgment calls) as the undertreatment they imagine in every managed care plan. But the days of insurance that shoveled out money without questioning prices or procedures—the

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system that allowed doctors and patients to pretend that health care is a free good—are over.

The debate now is over how we learn to do better, and about who has the knowledge most likely to yield improvements. The answer to that question is unlikely to be Congress or even "the people" acting as voters. As Rep. Rick White (R-Wash.) aptly put it in a different context: "When Congress focuses on an issue, Congress sees the big, big, big, big, big, big, big, big picture. They're the ultimate big picture people. And they really don't understand the details."

The real issue is competition. Protected from competing alternatives, every medical-payment system contains incentives either to over- or undertreat. What matters, then, is whether patients (and the employers who represent them) have choices, whether they can dump doctors who don't give them the care they expect and, for that matter, whether health care providers can switch plans. At another layer of competition, it matters whether employers providing health insurance must compete for employees; if they do, then if the insurance is lousy, workers will discount its value and expect more cash. In a competitive system, plans have to find ways to encourage quality as well as economy—or they'll lose their customers. Competition both responds to and elicits the local knowledge that is always hidden from would-be regulators.

Pro-regulation forces ignore these competitive dynamics. Gordon Miller, the Oregon ophthalmologist, claims that "the ethical physician, if he expects to see patients, must meet the contract price of the unethical physician who is willing to withhold care," as though patients can't tell the difference. In "capitation" plans that pay doctors a flat rate per enrolled patient, he says, "physicians can get paid for not working." Such static analysis, which sounds suspiciously like a plea for protection from competition, is as silly as outlawing salaries for journalists.

With its monopoly "health alliances" and single-tier health plan for everyone, ClintonCare would have destroyed health care competition. Fortunately, we do not live in the ClintonCare world. Rather, we have a chance, through trial and error, experiment and feedback, diversity and choice, to create new and better models of health care. We shouldn't blow it by meddling with managed care. ℞

REASON ONLINE NEWS

More About Books

This year's Special Book Issue feature, "Art & Artifacts," is the fifth in a series. Check out all of our special features on the Reason Web site (www.reasonmag.com). These include "The Contents of Our Character: Books for Immigrants" (1995); "Extracurricular Reading: Outside Reading for Undergraduates" (1994); "Know Thy Enemy: Bad Books and Their Antidotes" (1993); and our acclaimed kickoff classic, "What Should the President Read?" (1992).

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The Unimportant Nations

By Brian Doherty

With no hysteria, get out of the UN!

THE UNITED NATIONS IS SUITING UP for a military takeover of the United States, according to the "black helicopter crowd," the paranoid fringe of anti-UN right-wingers. Meanwhile, a majority of U.S. citizens, according to a pro-UN ad in *The New York Times* in late September, think the UN should be the world's policeman, and trust it more than their own government by a 2-to-1 margin.

Opinions about the UN stretch to far-off margins. But the UN's most fervent enemies *and* its most starry-eyed partisans both overestimate its significance. Sure, the United States should get out of the UN. Not because it is particularly virulent or sinister, but because it is just one more irrelevant, useless bureaucratic excrescence that does more for its employees and the industry surrounding it than it does for the world it is meant to serve.

That reality hit home recently when I participated in a Voice of America–sponsored radio debate on the topic of the UN—specifically Jesse Helms's call in the September/October issue of *Foreign Affairs* for the UN to shape up or ship out. I thought the essay was a little mild for ol' Jesse—surely of all politicians he wouldn't go soft on the UN. Helms recited, lifelessly and without vivid detail, the usual litany of anti-UN complaints: bloated bureaucracy; sovereignty grabs; peacekeeping failures in Bosnia and elsewhere; pointless busybody conferences where well-appointed bureaucrats scratch their chins and tut-tut over huge, vague, ill-defined crises, from the environment to poverty to overpopulation to the status of women.

But Jesse wimped out in the end. He suggested some reforms, like getting rid of the meddlesome Secretary General Boutros Boutros-Ghali (even Bill Clinton agrees), no more of those world conferences, and cutting the bureaucracy's manpower and budget. But why not just get out of the UN, reform or no?

TO MY TWO OPPONENTS—NEWSMEN WHO had spent their careers covering the UN for CBS News and *Time*—Helms's article was the most disgraceful thing they'd ever seen by a U.S. senator, much less the chair of the Committee on For-

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eign Relations. Helms was reductionist, they argued, painted with too broad a brush, and ignored reforms the UN has already attempted. Worst of all, he didn't take seriously enough the basic importance of the UN and its mission.

Which is—what? I reeled off a litany of world events that fell within the purview of the UN's goals of international diplomacy, cooperation, and peacekeeping, most gleaned from an article in the September/October 1995 *Foreign Affairs* by Abba Eben: the end of apartheid in South Africa; the formation of the European Common Market; the end of the Berlin blockades; the end of the French-Algerian War; the SALT talks; the Panama Canal settlement; the formation of the Conference on Security and Cooperation in Europe; and peace talks between Israel and its various enemies from Egypt to Jordan to the Palestinians. What do they all have in common? The UN had nothing to do with any of them.

In response, one of my debating partners piped in with a plug for the Korean War. *That* was the best example of a UN success he could supply. Since both men have dedicated large parts of their careers to covering the mess that is the UN, it would be difficult for them to admit that maybe the UN isn't so important or useful. (This is just one example of many non-sinister symbiotic linkages between media and government bodies that make it rare for the media to be tough on government in any substantial way.)

FOR SOME TIME NOW, THE EMBATTLED Boutros-Ghali has been backstepping from international security and diplomacy as his organization's main selling points—politic of him with the memory of UN peacekeepers used as hostages for Serbs still vivid. "The vast bulk of the UN's work is elsewhere in the area of international cooperation," he told *New Perspectives Quarterly* in its Summer 1995 issue. "We've been successful at the environmental summit in Rio, at the population conference in Cairo, at the social summit in Copenhagen. The upcoming meeting in Beijing [on the role of women] will be a very important historic event."

A year down the line, it's easy to see that this is pure nonsense—a perfect example of an organization existing to serve its own needs and nothing else. But in the face of its obvious inability to ensure world peace and complete irrelevance for most important forms of international cooperation, that sort of goo-goo nonsense is the best Boutros-Ghali could come up with. Those conferences succeeded in nothing except providing an expensive vacation for international busybodies of various stripes. UN employees in general have cushy lives—high pay, elaborate offices, generous travel and leave policies. And the UN's management of its money is shoddy—millions disappearing from unlocked files in Somalia, embezzlement in UNICEF, waste and mismanagement claiming millions, according to their own inspectors.

The bill of particulars against the UN is simple: It wastes a lot of money supplying an easy life for bureaucratic parasites, and it accomplishes little to nothing of value. The UN is no serious threat to U.S. sovereignty or our American way of life. But it's good for nothing, and it ought to be abandoned. ®

Wedding Bell News

By Nick Gillespie

Same-sex marriage and social evolution

THIS SEPTEMBER, PRESIDENT CLINton, who has "long opposed governmental recognition of same-gender marriages," signed "The Defense of Marriage Act," legislation designed to prevent gay marriage. The law, which passed Congress by overwhelming majorities in both houses, defines marriage in federal law as the union of a man and a woman and stipulates that, contrary to the Constitution's "full faith and credit" clause, if one state allows gay marriage, other states need not recognize the union. The impetus for this unusual display of federalism is a pending court case in Hawaii that could effectively legalize gay marriage in the Aloha State. The legislation joins 15 state-level laws and two governors' executive orders banning same-sex marriage, all passed within the past year with the similar intention of outlawing something that does not yet exist.

Meanwhile, only a few days before the president signed the federal law, another source of authority in American life effectively recognized gay marriage: IBM announced that it would extend health care and other benefits to the partners of gay and lesbian workers. Same-sex couples who want to apply for benefits will have to sign an affidavit that they are in a long-term, serious relationship and that they share the same household. Unmarried heterosexual couples will not be eligible because, says Big Blue, they can show their commitment through marriage. IBM joins a growing number of companies, including Microsoft, Walt Disney Co., American Express, and Eastman Kodak, in offering such benefits.

The timing of IBM's and the government's actions provides an opportunity to reflect on how social institutions in a relatively free society should best evolve and change over time. Adult consensual relationships—including but not limited to marriage—are a particularly good issue to work with, since they by definition are non-coercive. There is no question of involving someone who doesn't want to be involved: Individuals in a relationship are free to come and leave as they wish; for the most part, employers are not obligated

to give benefits to employees, much less their partners; insurers don't have to do business with companies whose policies they disagree with. The potential involvement of children—often cited by traditionalists as a reason to oppose same-sex marriage—is a related but distinct topic (married couples do not always have children; nor are they necessarily granted the right to adopt).

F.A. Hayek defined a free society as one in which people "could at least attempt to shape their own li[ves], where [they] gained the opportunity of knowing and choosing different forms of life." Hayek emphasized that such individual empowerment is absolutely necessary to maintain an "extended order" vibrant enough to generate opportunities for its members. It is the means by which society adapts to constantly changing circumstances, needs, and desires. He also underscored that the outcomes of such a "discovery" mechanism would not always be "good" or "just," in either a moral or utilitarian sense, but that trying to "wrest control of evolution...only damages the functioning of the process itself."

WHILE STRESSING THAT SOCIAL INSTITUtions—themselves the result of an evolutionary process—cannot and should not be simply thrown out and redesigned at will, Hayek insisted that we run terrible risks when we seek to limit the choices people make. That's because the act of choosing is the very basis of a flourishing society.

IBM's decision is pretty much a textbook case of Hayekian evolution and suggests that the government's position on the matter is unlikely to hold up in the long run. Far from creating a new social institution, IBM is simply officially recognizing that it has gay employees and some of those workers are in long-term relationships that approximate heterosexual marriage. Given that, it makes sense for IBM to treat heterosexual and homosexual workers on similar terms. After all, if they don't some other company will.

"We want to be in a position to attract and retain a broad spectrum of employees" in a competitive marketplace, explained a company spokeswoman. It remains to be seen how much IBM's plan helps it compete. If experience is any guide, the impact may seem minimal, at least to outside observers. Most companies extending benefits to same-sex couples find that under 1 percent of employees enroll; Disney is being boycotted by several Christian groups for offering benefits to same-sex couples, but to negligible effect.

More important than the policy's "success," however, is the act of choice itself. IBM's experiment simultaneously ratifies individual choice and nurtures a complex web of human interactions. And, it should be stressed, only IBM is in a position to decide whether the policy is working well, needs to be tinkered with further, or should be tossed out altogether.

The Defense of Marriage Act is a slightly different kettle of fish. To be sure, it does not ban states from allowing gays and lesbians to marry. Indeed, in one sense it asks the states to become laboratories of democracy (the proliferation of state-level anti-gay marriage legislation indicates what the results are likely to be). But federal policies affect more than federal employees. They affect everyone who pays federal taxes—not just income taxes but estate taxes, for instance, which offer spouses shelters not extended even to other close relatives. And, as the president's remarks make clear, the act is designed to foreclose governmental recognition of gay marriage. It is a misguided attempt to define for all time an institution that is constantly, if slowly, evolving.

Its supporters may think they can stop social evolution in its tracks and enforce a singular vision of the good society. But such people misunderstand the very nature of a free society and its dependence on choice and change. The Defense of Marriage Act may well have put off state recognition of same-sex marriage for the time being, but such laws can do precious little to keep things as they are. There can be little doubt that, ultimately, the government will be following IBM's lead, even as IBM has followed its employees'. ®

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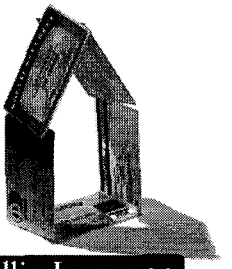

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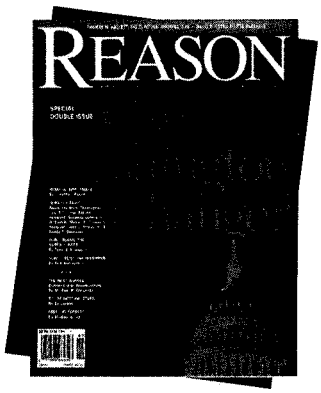

Limits to Term Limits?

Rick Henderson's editorial "Darwinian Politics" (August/September) takes me to task for overselling the benefits of term limits. Henderson cites anti-libertarian votes from a number of freshman congressmen as evidence that term limits don't really work. But his argument is not compelling.

There are two main reasons to support term limits. The first is that power tends to corrupt, as Lord Acton admonished us, and the longer someone is in Congress the more likely they are to be so corrupted. The evidence on this score is very much on the side of term limits. For all the bad votes that freshmen have made, their overall voting record in Congress is significantly better than Congress as a whole. Had the whole House voted as the freshmen did, for instance, the Clinton tax increase would have been defeated and the Penny-Kasich spending reduction package would have passed.

Indeed, studies by the Cato Institute and the National Taxpayers Union confirm that the longer people are in Congress, the bigger spenders they become, whether they're conservatives, liberals, or libertarians (if you can find one there). Thus, the facts support the first argument for term limits.

The second and stronger argument for term limits is that the current system yields an adverse selection process—a result of relatively few open seats (a challenger has a 1-in-10 chance of beating an incumbent) and the fact that even if one does win one has to be there six to 10 years in order to have any significant influence in Congress. This discourages citizen legislators—the person who would prefer to be in the private sector but is willing to spend two or four years in Congress—from seeking office in the first place.

The point is, the so-called freshman "revolutionaries" in the House are not the product of term limits. They're the product of another process and another political culture.

With three-term limits in the House, a culture would develop in which the majority of people serving would come for one or two terms and then go back to their preferred status in the private sector. This kind of legislative environment would bring a remarkable number of clear-thinking citizen legislators out of the woodwork and would also direct their attention more to repealing existing legislation rather than deferring to senior members of Congress who protect the bad laws we live under today.

So Rick Henderson is wrong. Term limits will have a profound impact on our ability to reduce the size and scope of government. The freshman class is better than Congress as a whole because of the first argument for term limits. It is not as good as it should be because of the second argument.

Edward H. Crane
President
Cato Institute
Washington, DC

Rick Henderson replies: I wish I were as confident as Ed Crane that people who elect statists to Congress will suddenly demand an end to federal largess once term limits are enacted. Voters in congressional districts that get an abundance of government subsidies—whether they support poor people, research facilities, or military operations—are likely to find *somebody* who will go to Washington and defend that stream of money, even if the candidate in question finds it makes more sense to rent real estate in D.C. rather than buy.

The only way to effectively shrink the federal government is to limit its reach to those powers enumerated in the Constitution—a goal Ed and I share. I still don't see how term limits will get us there.

Irish Ire

Michael McMenamin set the tone for his article, "Bill & Ted's Irish Misadventure" (August/September), in the opening paragraph, when he suggested that American officials were surprised and embarrassed by "the IRA's betrayal." This is plainly a misstatement of simple fact. There could have been no betrayal, since neither the IRA nor its political arm, Sinn Fein, ever made any promises to betray.

The facts, as McMenamin acknowledges elsewhere in his piece, are that in August 1994 the IRA declared a unilateral and unconditional ceasefire—which loyalist groups subsequently joined—in hopes of drawing all sides to the negotiating table. When, after nearly a year and a half, the Major government had not made the slightest move toward commencing talks (setting the patently absurd precondition that Irish nationalists effectively surrender first), the IRA canceled the ceasefire.

McMenamin is relentlessly critical of "the men of violence" and "those who refuse to renounce violence as a means to an end in a democratic society," which he applies to both nationalist and loyalist Irish. Occupying British troops are, of course, to be exempted from this characterization. Yet when Sinn Fein agreed to participate in an election to choose repre-

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sentatives to all-party talks (after initially refusing because it was seen—quite correctly, as it turned out—to be nothing more than a ruse and a delaying tactic) and polled 15 percent, the democratic process lost its allure. Because the IRA refused to reinstate the ceasefire it originally initiated, Sinn Fein was excluded anyway—which seems not only unfair and antidemocratic, but just plain stupid. If you're not going to include the IRA's representatives, what is the point of having talks about how to bring about a peaceful marriage of the factions in northeast Ireland? It's like going ahead with the wedding ceremony even though the groom won't be allowed to participate.

McMenamin seems to regard with contempt the assertion in the joint declaration of the right of the Irish people to national self-determination. REASON readers can only wonder how he would have viewed similar circumstances here had the American Revolution been settled by a treaty that left the northeast quarter of our country under British rule, consisting mostly of an area where they had first dispossessed Americans in favor of loyalist homesteaders and then sent in troops to squelch any resistance.

Libertarians who are fond of quoting Justice Brandeis's observation about the right most valued by civilized men should remember that "Sinn Fein" is Gaelic for "Ourselves Alone!"

Tim O'Brien
TObrien321@aol.com

Mr. McMenamin's article on Occupied Ireland is sustainedly false. The following fundamental corrections will help:

1) Ireland's British supremacist "majority" are actually 18 percent of the population (and 2 percent of Britain's).

2) The people of Ireland never voted for partition; London imposed it unilaterally after Ireland's islandwide landslide vote of 1918 for complete independence from England.

3) Counties Fermanagh and Derry are now, as ever, majority Irish, not British.

4) British policy in Ireland has always been frankly genocidal and supremacist; former British Army Capts. Fred Holroyd and Colin Wallace courageously testify as to current British war crimes in Ireland.

5) Since 1969, six times as many noncombatants have been murdered by British forces as by Irish ones. The first-, third-, and fourth-deadliest terrorist atrocities since 1969 were perpetrated by Britain's MI6 and army, not the IRA. Britain is Europe's most convicted practitioner of torture—of Irish POWs.

6) According to their newspaper allocations of column inches to murders related to the Anglo-Irish conflict, Chicago editors believe the murder of a Briton by an Irish terrorist is a tragedy 350 times more newsworthy than the murder of an Irish person by a British terrorist. Most of the U.S. news media are similarly biased. Mr. McMenamin's plausibility depends upon such prior disinformation. Meanwhile, the Irish demand government of, by, and for, the people—emulating America's Founding Fathers, but using *less* violence.

Chris Fogarty
Vice Chairman
Friends of Irish Freedom
Chicago, IL

Michael McMenamin replies: Key to my article is the view that the Brits will bug out of Northern Ireland before they will suppress a violent Protestant/Loyalist reaction to any form of Irish unity acceptable to the IRA. The IRA welcomes the prospect of Loyalist violence because, despite the inevitable bloodshed and suffering on both sides, they do believe they will wade through the blood and emerge victorious. Where do O'Brien and Fogarty stand on this? Go back and read their letters and see for yourself. They don't seem to care. They're too busy blaming the British and appeasing the ghosts of the 1916 Rising to worry about a living Irish nation.

O'Brien, at least, has the courage to admit that Sinn Fein represents the IRA. That's as accurate as his letter gets. First, the claim that the IRA and Sinn Fein made no "promises" regarding an unconditional ceasefire is not true. Without such assurances from the IRA through Gerry Adams via a back channel to the White House, Clinton would never have issued visas to Adams or Joe Cahill in the summer of 1994. Such assurances *were* given. Clinton may be wrong on his Northern Ireland policy, but he's not a fool.

Next, O'Brien accuses me of exempting British troops from my criticism of the IRA and Loyalist terrorism. I didn't and I don't. Like Israel, British troops and the Irish Garda have methods of dealing with terrorism which civil libertarians do not condone. That's not the point. Neither British troops nor the Garda are a threat to the peace process. The private armies of the IRA and Loyalist paramilitaries do pose such a threat.

Fogarty's letter reads like it was written at Sinn Fein headquarters on Falls Road in Belfast. When you realize there are people with views similar to Fogarty's on both sides in Northern Ireland, you can begin to appreciate why something as alien in today's America as widespread sectarian violence finds such a nurturing environment there. The points he raised in his letter are, for the most part, irrelevant.

1) I didn't mention that Protestants were 18 percent of the total population of the island because I assumed REASON readers could figure that out from my reference to 900,000 Protestants in Northern Ireland and a total population in the two Irelands of 5 million.

2) The 1918 vote in Ireland is not relevant, but even if it were, Ulster voted overwhelmingly against unification. What is relevant is that opinion polls today show that voters in both Northern Ireland and the Republic of Ireland would vote against unification. Only a bare majority of Catholics in Northern Ireland support uniting the two Irelands, and people in the Republic wisely see no benefits from bringing a hostile minority into their comparatively peaceful society.

3) Fermanagh and Derry were always part of Ulster. So was County Donegal until partition. What Fogarty really means when he says those two counties were always "majority Irish, not British" is that they were predominantly Catholic, not

Protestant, i.e., if you're Protestant, you can't really be "Irish." This has sinister implications.

What Fogarty doesn't tell you is that the IRA has been systematically engaging in ethnic cleansing in the rural areas of those two counties, so that there are substantially fewer Protestants there now than 20 years ago. Fogarty also doesn't tell you that the borders between Ireland and Northern Ireland were negotiated and agreed between Ireland and Britain in 1921, with the Irish delegation headed by Michael Collins, the legendary head of the Irish Republican Brotherhood who devised the guerilla tactics which won Ireland her freedom. The treaty was approved by the Irish Dail, and pro-treaty supporters won a substantial majority of the seats in the June 1922 general elections. In response, the IRA started a bloody civil war during which Collins was assassinated. That is the heritage which Fogarty defends and which the IRA again wishes to bring to all of Ireland.

4) The genocidal, supremacist claim about Britain is arguably valid for much of pre–20th century history, but not as a serious position taken by any British government after 1906. And ever since 1921, the British have been trying to wash their hands of the whole thing. Only 25 percent in the U.K. favor keeping Northern Ireland as part of the U.K.

5) and 6) Fighting terrorism isn't pretty. Neither the Brits nor the Israelis always play by rules which would pass muster under the Bill of Rights. Neither does the IRA, which regularly uses torture itself.

But the real difference between the British Army and the IRA is that the Brits will pack up their weapons and leave whenever a majority of the inhabitants of Northern Ireland ask them to in a free election. The IRA won't. People like Fogarty, with their talk of "occupied Ireland," are no better than your average Catholic-bashing, sash-wearing, derby-hatted, drum-beating Orangeman marching to celebrate a by-now meaningless battle fought over 300 years ago. They're part of the problem, not the solution.

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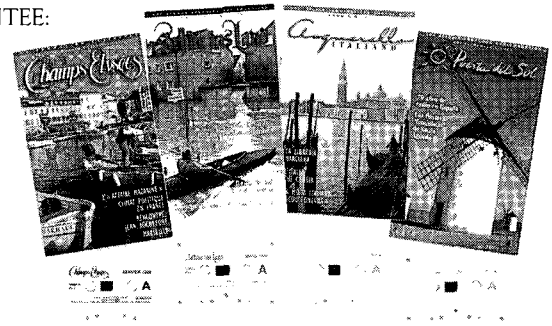

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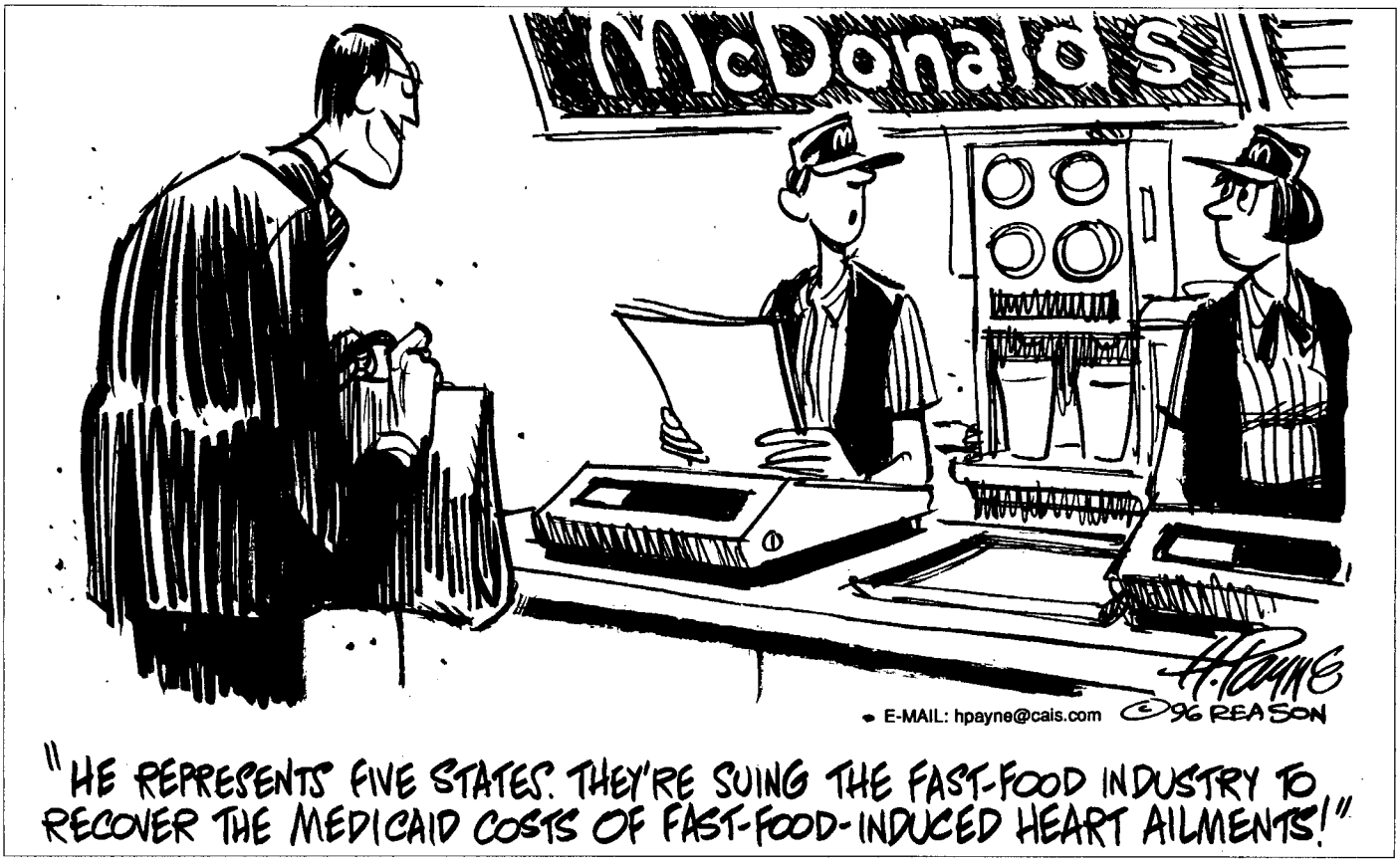

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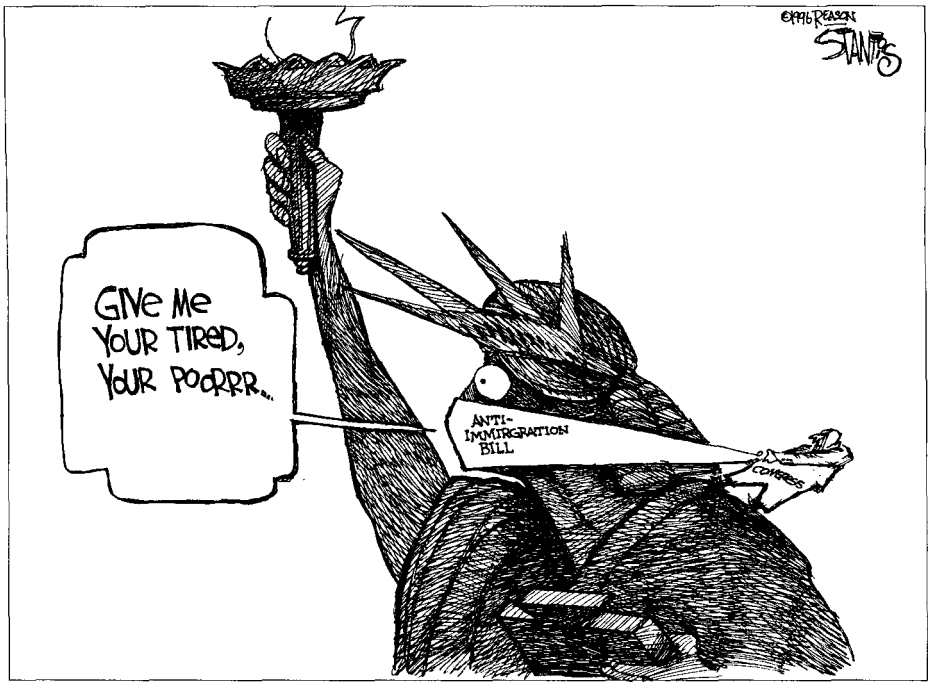


SCOTT STANTIS

■ **Katie Nemeth just wanted to plead** guilty to misusing a credit card. A customer had lost the card in the Cleveland store where she worked, and Nemeth's boyfriend had used it. But before sentencing, Judge Shirley Strickland Saffold offered some advice. "Men are easy," said the judge, trying to convince Nemeth she could do better than the ne'er-do-well who helped get her into trouble. "You can go sit in the bus stop, put on a short skirt, cross your legs and pick up 25. Ten of them will give you their money." The judge recommended marrying a doctor.

■ **Police in Singapore have been cracking** down on Jehovah's Witnesses. Among the jailed was a 72-year-old woman. Singapore has banned the religion since 1972, claiming that the sect's opposition to military service and oaths of allegiance undermines public order.

■ **The government of Iran has toughened** up its already harsh penalties for some crimes. Anyone convicted of lending money for profit will now get 74 lashes and up to three years in jail.

■ **Human rights activists have long accused** Turkey of torturing criminal suspects. Now, they say, police are also threatening doctors to keep them from reporting torture. One doctor reportedly had his arm broken by police after he filed a report alleging a patient he examined had been tortured.

■ **Slavery is alive and well in Sudan. A human** rights activist from that country told a congressional committee that nearly 10,000 people, many children, have been enslaved there.

■ **William "Scotty" Brack's ears lie too** close to his head. That's the judgment of the Immigration and Naturalization Service. Brack, an immigrant from Scotland, got a letter from the INS demanding a new photo for his green card. The INS said his ears weren't visible in the picture he had sent. So Brack sent another photo, taken at a better angle.

■ **In Harrisburg, Pennsylvania, Michael** Fulkroad came home one day to find a man in bed with his girlfriend. He beat the man up. The guy needed 32 stitches when Fulkroad was finished with him. For the crime of assault, Fulkroad was sentenced to...five minutes of probation. Said the judge who sentenced him, "If I go to some other guy's house and sleep with his significant other—I don't know what people expect."

■ **Want to know what happens when you** give politicians free television air time? Look to Brazil, where that practice is required by law. Julian Carlo Fagotti, a candidate for city council in a Brazilian town, has been airing an ad in which he is naked except for a strategically placed leaflet.

■ **In Belton, Missouri, Rickey Worthley** wanted his son to mow the lawn. So he woke the 17-year-old up at 6 a.m. one Saturday. The boy told him to go away. So Worthley came back into the boy's room with the mower, turning it on in the boy's bedroom. The son called police, who arrested Worthley for assault.

■ **A man entered the Apollo Liquor Store** in Evansville, Indiana, one Friday night. He said he wanted to buy a bottle of wine and got carded by the clerk, so he gave the clerk his driver's license. Then the customer demanded money, knocked down the clerk, and fled with $100—leaving his license behind. Police tracked down Wayne K. Brewer and arrested him for strong-arm robbery.

■ **Citizens Against Government Waste has** found that nearly one out of every five dollars in the food stamp program is lost to waste, fraud, or abuse each year.

■ **In New York City, 15 city police officers** have been accused of not paying income taxes. The officers claim that they don't have to pay because the city isn't part of the United States. For whatever it's worth, many of the officers are on the narcotics squad.

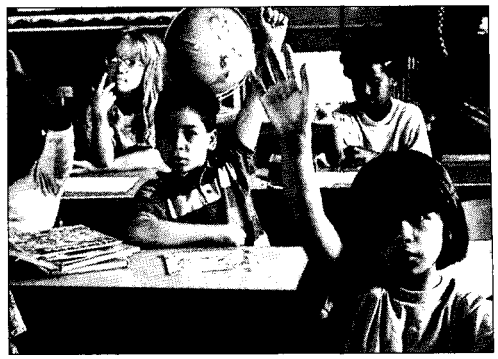
■ **As part of the security precautions for** Vice President Al Gore's summer vacation, the Secret Service shut down a nude beach near the Cape Cod cottage where he was staying. Cape Cod? Nude beach? Al Gore? There's a joke in there, but it would never get past my editor.

—Charles Oliver

Choice Cuts

The real impact of Milwaukee's vouchers

By Cosmo Wenman



SINCE 1990, A LIMITED SCHOOL choice program has allowed about 1,300 low-income students to attend a number of secular private schools in the Milwaukee area. As many as 15,000 may be allowed to participate in the coming year, and religious schools may become eligible to join the program.

Critics, however, have charged that vouchers don't improve education. Drawing on annual evaluations by University of Wisconsin researchers, the American Federation of Teachers' Albert Shanker has claimed that "private schools are not outperforming public schools." The Carnegie Foundation for the Advancement of Teaching has announced that "Milwaukee's plan has failed to demonstrate that vouchers...can spark school improvement."

This summer, however, the data and techniques used in the program evaluations became available for the first time to outside scholars—yielding quite different results. In "The Effectiveness of School Choice in Milwaukee: A Secondary Analysis of Data from the Program's Evaluation," researchers from the University of Houston and Harvard University conclude that the Wisconsin evaluations fail a number of standard statistical and procedural measures, ignore a variety of pertinent data sets, and fail to categorize students by such meaningful categories as grade, year of application, and school.

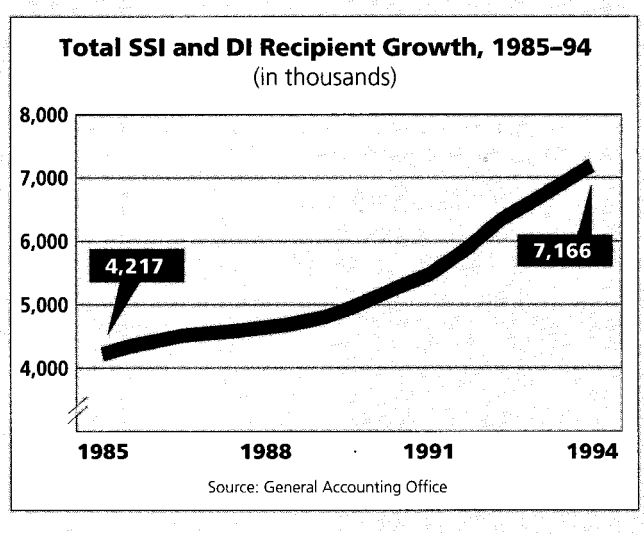
Rather than lumping all students together, the new study compares students who enrolled in the school choice program with a control group of students who wanted to participate but could not, because of limited space. The cumulative effect of several years of enrollment in choice schools is nothing short of impressive, according to study authors Jay P. Greene, Paul E. Peterson, Jiangtao Du, Leesa Boeger, and Chris L. Frazier. If the randomly selected students remained in the choice experiment for three years, their average reading and math scores were, respectively, 3 and 5 percentile points higher than those in the control group. If they stayed for four years, their reading and math scores were, on average, 5 and 12 percentile points higher. Over 80 percent of the students were either Latino or African American.

Putting the results of Milwaukee's voucher program in perspective, the authors note, "If similar success could be achieved for all minority students nationwide, it could close the gap separating white and minority test scores by somewhere between one-third and more than one-half."

Disability Traps

The dole rises, while work falls.

By Brian Doherty



The Social Security Administration's Disability Insurance and Supplemental Security Income programs are both growing precipitously, with a 70 percent increase in the rolls from 1985–94. The money doled out in cash benefits more than doubled over the same period, from $23 billion to $53 billion.

That's troubling not just as a matter of fiscal conservatism. Since the SSI considers drunks and drug addicts "disabled" for the purpose of the dole, it is helping over 100,000 people damage themselves on the taxpayers' tab.

At the same time, the programs' attempts to rehabilitate recipients back into the world of work are failing. General Accounting Office reports indicate that "not more than 1 out of every 1,000 DI and SSI beneficiaries leaves the rolls as a result of SSA's return-to-work assistance." (See "Drunkard's Dream," October 1995).

A new GAO study analyzes the reasons for these failures, including the programs' emphasis on forcing the client to prove and promote his or her disabilities instead of trying to find what he or she might be able to do; the risk of losing benefits through low-wage work, making that work unattractive; and the fact that neither program staff nor beneficiaries seem aware of or promote the existing vocational rehabilitation programs.

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Hawkins Cookers Limited, manufacturers of the Futura, have sold over 17 million pressure cookers worldwide.

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What's On The Minds of America's Leading Conservatives?

Popular conservative authors pictured above are *(left to right)* William Bennett, Pat Buchanan, R. Emmett Tyrrell, Jr., Dinesh D'Souza, Alan Keyes, Haley Barbour, Marvin Olasky, and Thomas Sowell.

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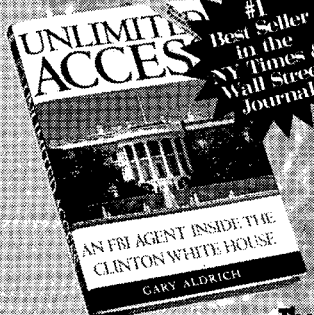
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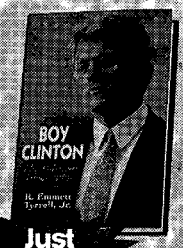

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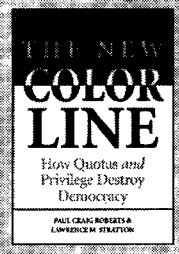

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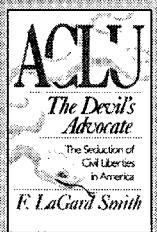

ACLU: The Devil's Advocate

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In this clear, honest account, business and financial journalist, Phillip Longman, warns of the imminent collapse of the welfare state and provides a plan to head off the coming fiscal disaster -- a return to the principles of traditional family values, hard work and thrift.

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Author Robert Dietz pulls no punches in this scathing, sometimes shocking post-O.J. look at the American justice system. According to Dietz, justice in America has become quite simple: If you're black you're innocent, and if you're white--guilty as charged!

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Wayne LaPierre, President of the NRA, explains and explodes every argument that gun control advocates have used to disarm American citizens and undermine the Second Amendment.

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The End of Racism

Thirty years after the landmark civil rights legislation of the 1960's, race remains the most divisive social issue of our time. Yet little ground has been gained in understanding what racism is, where it comes from, and whether it can be eliminated. Best-selling author Dinesh D'Souza delves into the issue of racism, and argues that Black Americans are oppressed less by racism than by a self-destructive culture. -- "an invaluable contribution to our raging national debate on race and justice."
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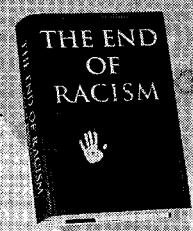

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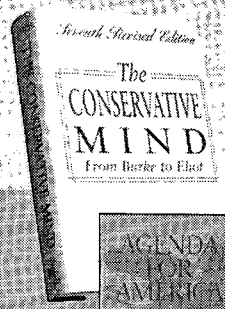

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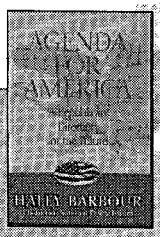

Agenda For America

At Last! A book that proclaims the Republican vision for a renewed America. Similar in scope to the House Republican majority's "Contract with America", Agenda For America concentrates on fresh ideas, innovative new policies, and important challenges for 1996. Authored by RNC Chairman Haley Barbour, this book was actually written by thousands of people across the country -- from members of congress, to concerned citizens across the nation!

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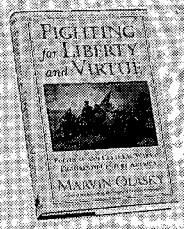

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The Vision of the Anointed

What are the consequences of a nation coerced into a mind set? Leading black conservative Thomas Sowell explains how America was brainwashed with the myth that liberals are always right and conservatives are always wrong.

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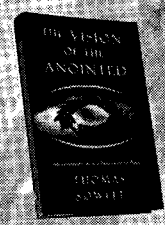

Who's Afraid Of The Religious Right?

In this clear and incisive book, Jewish author and noted Boston Herald columnist, Don Feder, not only defends the agenda of the Christian right, but also identifies the real extremists -- the anti-religious, amoral liberal elites.

Item # 4346 **Retail $24.95**

Environmental Overkill

Rush Limbaugh claims, "A way must be found to get this book into the hands of as many Americans as possible!" Dr. Dixy Lee Ray's book is a beacon of truth amidst the overblown cries of ecological doom. Read it, and make your own informed decisions on air pollution, global warming, endangered species, and other contentious environmental issues.

Item #3843 **Retail $19.95**

Every Knee Shall Bow

It was one of the biggest law enforcement debacles in the history of our country. Award-winning journalist Jess Walter, through interviews with Randy Weaver's family, as well as other sources tells Weaver's compelling story -- from his childhood in Iowa to the famed shootout on Ruby Ridge that left his fourteen year old son, and his wife Vicki dead. Contains 16 photographs, some of them never seen before!

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The Hand of God

Doctor Bernard N. Nathanson presided over 60,000 abortions as director of the world's largest abortion clinic. This stirring autobiography explores the horrors of abortion on demand, and how a committed atheist converted to Catholicism and the pro-life cause.

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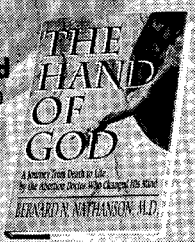

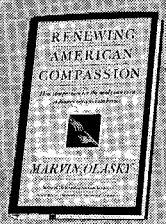

Renewing American Compassion

In a ringing call to churches, community leaders, and ordinary citizens, Marvin Olasky offers specific guidelines for lending a helping hand to the needy, and discusses how true compassion not only renews all of us, but also helps to enrich and revitalize our entire society.

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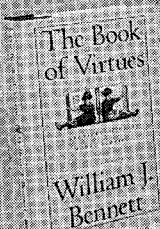

The Book of Virtues

In a time where smut, violence, and immorality pervade the media, this inspiring collection of fables, poetry, stories, and other readings is a lesson in morality, and a must-read for our nation's families! This #1 bestseller by Ronald Reagan's Secretary of Education will provide a solid foundation of morality for you and your children!

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Right From The Beginning

This is Pat Buchanan at his best! Often comic, always captivating, the autobiographical Right From The Beginning provides a poignant look at growing up Catholic, conservative, and rambunctious in 1950s Washington D.C.!

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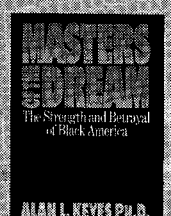

Masters of the Dream

In a passionate call for black self-empowerment, noted radio talk show host and fromer Ambassador Alan Keyes outlines the strengths of the black American culture -- the church, deep faith in God, and love of education -- and reveals how the government has undermined all three.

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Balance Sheet

By Rick Henderson

Assets

Brew-haha. Crazy Horse (and the First Amendment) return to the Land of 10,000 Lakes. A 1994 Minnesota law gives the state the option of prohibiting alcoholic beverages named after American Indians. Soon after the introduction of Crazy Horse Malt Liquor, the estate of the Lakota Sioux chief complained. Officials banned the brew. Hold on, says the state Court of Appeals. The law is "impermissibly content-based, and therefore invalid."

Bleak House. Six months after House approval, the Senate agrees to reimburse $500,000 in legal fees accumulated by railroaded former White House travel office head Billy Dale. The administration's smarmy response? Nearly two dozen White House staffers ask the Justice Department to reimburse legal bills *they* accumulated during congressional investigations.

Third Way. After a brief lull following the Mexican peso crisis, private investment in developing countries again surges. The Institute for International Finance estimates that $225 billion in private capital will flow into the Third World this year—more than four times as much as these countries will get from the World Bank and other tax-financed sources. World Bank official Richard Frank tells *The Washington Post* that outside funding for newly privatized power plants and telecom systems should free up money for developing countries to finance medical care and education.

Moo-ving On. Why doesn't Dinty Moore Lite Beef Stew appear on your grocer's shelves? Stew-quality beef must originate from fatty portions of a cow, merely one of hundreds of meat and poultry standards the U.S. Department of Agriculture has set since the turn of the century. The USDA would like to get out of the recipe business, arguing that these rules prevent innovations that would make food healthier. But such Safety Nazis as the Center for Science in the Public Interest may try to get Congress or the courts to leave the standards in place.

Liabilities

Child's Play. If you create a Coppertone Girl screen saver for your computer, see ya in prison. As part of the massive spending bill signed September 30, Congress makes it illegal to create computer images that "appear to" involve minors in sexual situations. Violators face mandatory five-year sentences for possessing the images, 15 years for producing them, and life imprisonment if you're a repeat offender.

Smoking Guns. People who use marijuana, heroin, and other controlled substances can't obtain a federal permit to own firearms. And now that Bill Clinton has declared tobacco an addictive drug, gun owners who smoke cigarettes are worried. A Bureau of Alcohol, Tobacco, and Firearms spokesman tells *The Wall Street Journal* such concerns are "speculative."

Cash Crash. Federal regulators prepare to rein in the anarchic potential of electronic money. Concerned about money laundering and tax evasion, Treasury Secretary Robert Rubin creates two groups of regulators to establish "consumer protection" rules for digital cash and to coordinate efforts with bureaucrats overseas. The FDIC and the Fed also squabble: The insurance commission wants to let only banks issue e-cash; the Fed would let anyone issue small-dollar cards.

Rotten Apples. Only in New York. Mayor Rudolph Giuliani's workfare program has 30,000 former welfare recipients cleaning up parks, assisting in hospitals, and doing clerical work in city offices. Now they want to unionize. Local communications and transportation union officials are helping. "They are workers now," local Communications Workers of America political director Ed Ott tells *The New York Times*. "They want the full protections any worker is entitled to."

Get a Job

Work is good for "at-risk" students.

By Marc Levin

WORK IS BETTER THAN DEPENDENCY. That's only one message that emerged from the passage of this summer's bipartisan welfare-reform bill. If holding a job is essential for instilling a work ethic and a sense of responsibility in those on welfare, could employment similarly help low-income high school students?

A study by Urban Institute researchers Duncan Chaplin and Jane Hannaway suggests that job experience in high school helps all young people, but especially those classified as "at risk"—those students who, in addition to scoring low on standardized tests, have parents with low incomes, low education levels, and little involvement with their children's educations. The study tracked the employment and educational histories of thousands of high school students enrolled in 1980 and followed them until age 28. As 28-year-olds, former at-risk students who had worked between 10 and 14 hours a week in high school earned nearly $2,000 more per year than their nonworking counterparts. Those at-risk students who had worked 15 hours or more while in school made over $4,000 more than those students who didn't work.

The authors suggest the earnings gap between working and nonworking students actually increases over time. The study also casts doubt on the conventional wisdom that working in high school diminishes educational attainment. Working high school students, particularly those who toiled more than 30 hours a week, were slightly more likely to drop out than nonworkers, but the differences in school years completed between workers and nonworkers nearly disappeared within a decade. While the authors do not encourage at-risk students to drop out and take full-time jobs, they do suggest work experience can instill elements of discipline and self-respect these students may not find at home or in school. ®

Licensed to Drink

A university chancellor backs an underage drinking permit.

By Ed Carson

DESPITE SEVERAL STUDIES SHOWING that the age-21 drinking law has had no effect on binge drinking among college students, lowering the drinking age has not been a viable political option. But now Rod Park, chancellor of the University of Colorado at Boulder, is proposing that qualified underage college students receive drinking permits.

Modeled after driver's license learning permits, Park's "drinking permits" would allow college students under 21 to purchase alcohol in restaurants and bars, but not from liquor stores. Students would need to get parental consent and to pass an alcohol-education test. If a student committed an alcohol-related offense, the permit could be revoked.

Park believes issuing permits will have a more positive effect on drinking behavior than outright prohibition. "My understanding about how to make people responsible is to give them responsibility and hold them accountable," he says.

Michael Haines, coordinator for Health Enhancement Services at Northern Illinois University, believes the parallel to driving is especially apt. "Imagine if we told young people 'Just say no to automobiles' and then at 16 gave them a license and told them to go at it," says Haines, who has seen binge drinking among NIU students drop 34 percent since he introduced an ad campaign promoting responsible drinking in 1989. (See "Purging Bingeing," December 1995.)

David Hanson, a professor of sociology at the State University of New York at Potsdam who has studied college drinking for more than 20 years, believes a learner's permit would promote drinking in more-controlled environments than fraternity functions and keg parties. Hanson has proposed his own drinking permit for high school graduates but says, "Park's plan may be politically more viable because it involves parental consent."

Park says his ideas can't be implemented unless Congress allows states to experiment. Gathering support will be an uphill battle, but Rep. Scott Klug (R-Wisc.) has introduced a bill that would return the drinking age back to the states. ®

Border Report

The fate of immigration reforms on Capitol Hill

By Rick Henderson

AFTER A RANCOROUS YEAR-LONG debate, Congress quietly bundled its illegal-immigration enforcement bill with the omnibus spending package passed September 30. The bill will nearly double the size of the 5,200-agent Border Patrol, ease procedures for deporting immigrants convicted of crimes, and strengthen the financial obligations sponsors of legal immigrants must assume.

It will also establish "voluntary" employment verification systems in five states with large illegal-immigrant populations. Employers who participate in the verification systems may have to call the Immigration and Naturalization Service to check the citizenship status of new employees; or states may establish "identity cards" that potential workers would have to present to their employers before starting work. (See "Bringing the Border War Home," October 1995.)

Despite assurances from the bill's chief House sponsor, Rep. Lamar Smith (R-Tex.), that this provision would not lead to a national ID card, the bill forces states to develop uniform birth certificates. And new driver's licenses must include the carrier's Social Security number unless the state issuing the license passes a law exempting itself from this requirement. Even so, states must get every applicant's Social Security number and verify that number with the Social Security Administration.

Many immigration advocates are relieved that the bill did not restrict legal immigration, however. Thanks to a broad coalition of ethnic, religious, business, labor, privacy, and libertarian groups, proposals that would have cut legal immigration by as much as 40 percent were soundly defeated in both houses. "Lamar Smith and [Wyoming Republican Sen.] Alan Simpson tried to dramatically cut legal immigration and got their heads handed to them," says Cato Institute immigration policy analyst Stuart Anderson.

But these battles aren't over. Washington, D.C., attorney and immigration activist Rick Swartz believes Congress will take another whack at legal immigrants next year. Swartz, who orchestrated the "left-right" pro-immigration coalition, predicts the 105th Congress may succeed because this year's coalition is unlikely to reassemble. Swartz says traditional distrust between business groups and liberal labor, ethnic, and religious organizations makes any renewed coalition problematic. If cuts in immigration appear inevitable, he suggests, liberal groups may strike a deal with Congress to slash business visas in exchange for keeping family-based immigration numbers intact.

Cato's Anderson isn't as pessimistic. He points out that the House attempt to cut legal immigration was defeated by a resounding 238–183 margin and that Simpson, along with two of the most vocal anti-immigrant Democrats, Reps. John Bryant (Tex.) and Anthony Beilenson (Calif.), is retiring. Anderson thinks some modest cuts are likely, but that the current emphasis of immigration policy—keeping nuclear families intact—will be maintained. "If we can do that, and take the issue off the table for five or 10 years," he says, "that's not so bad." ®

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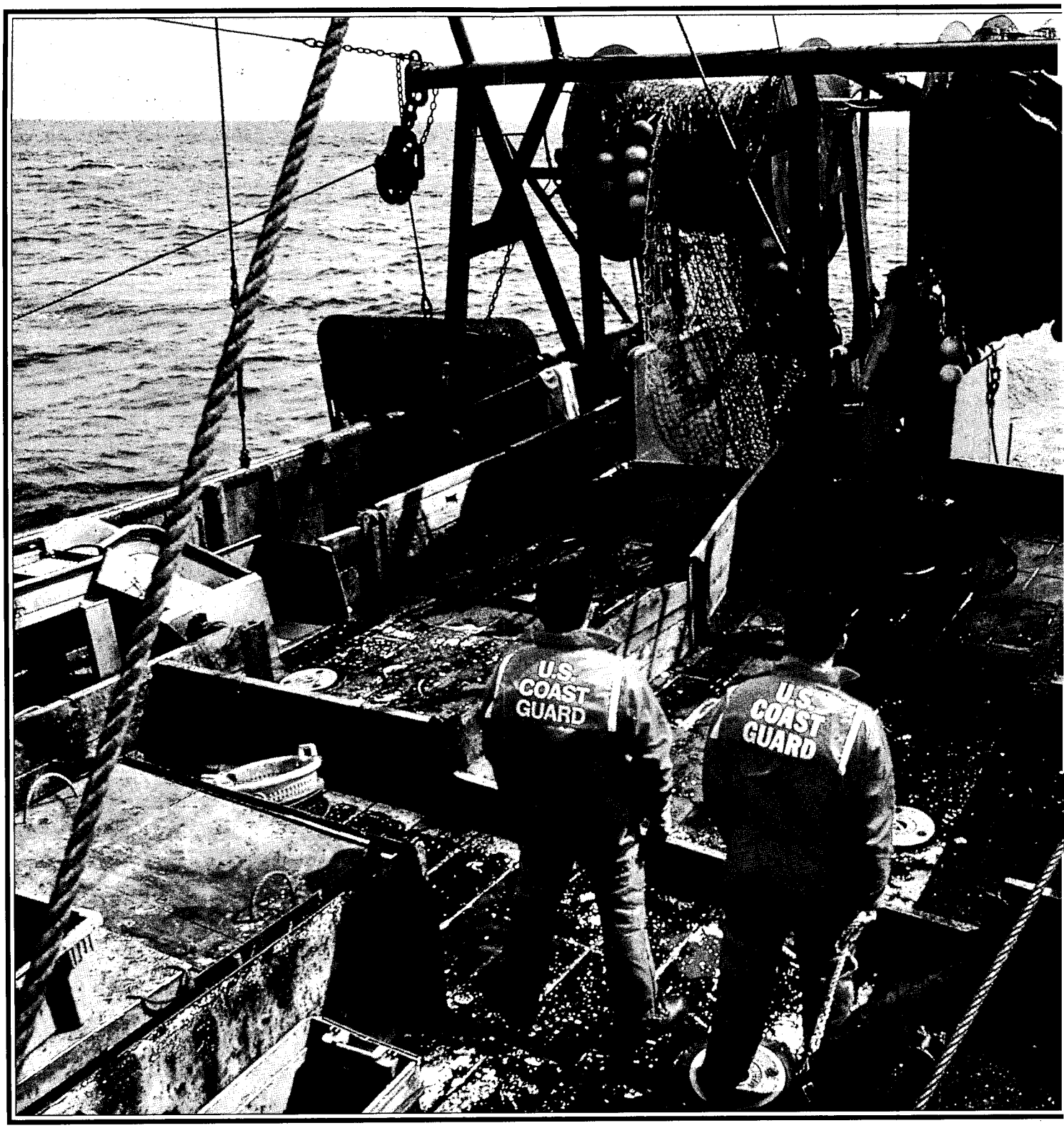

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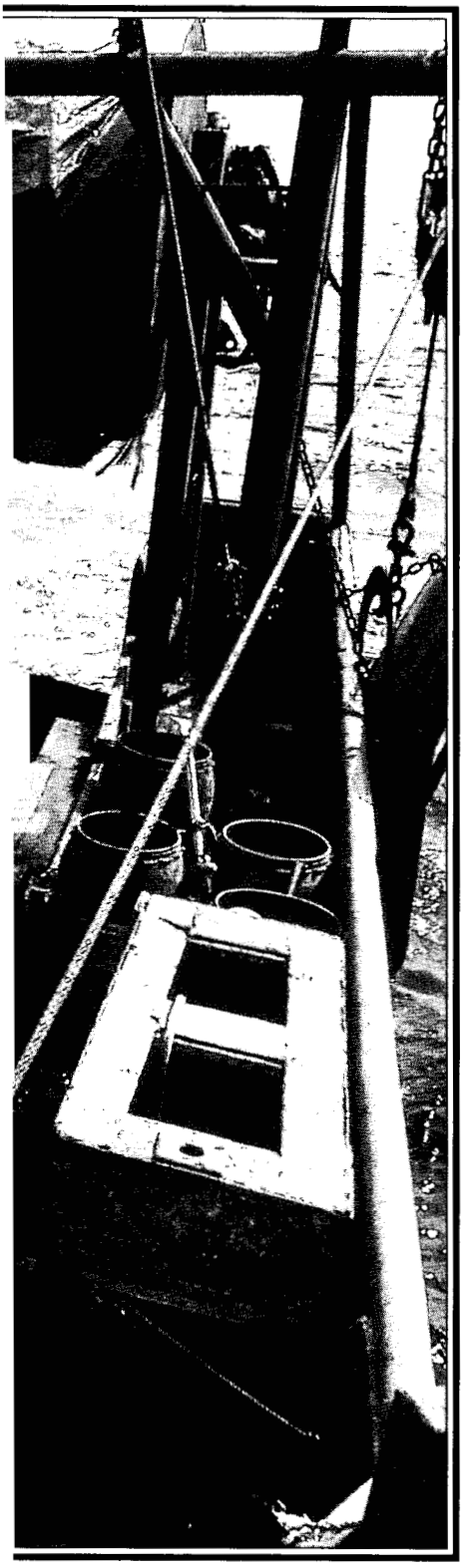


U.S. COAST GUARD

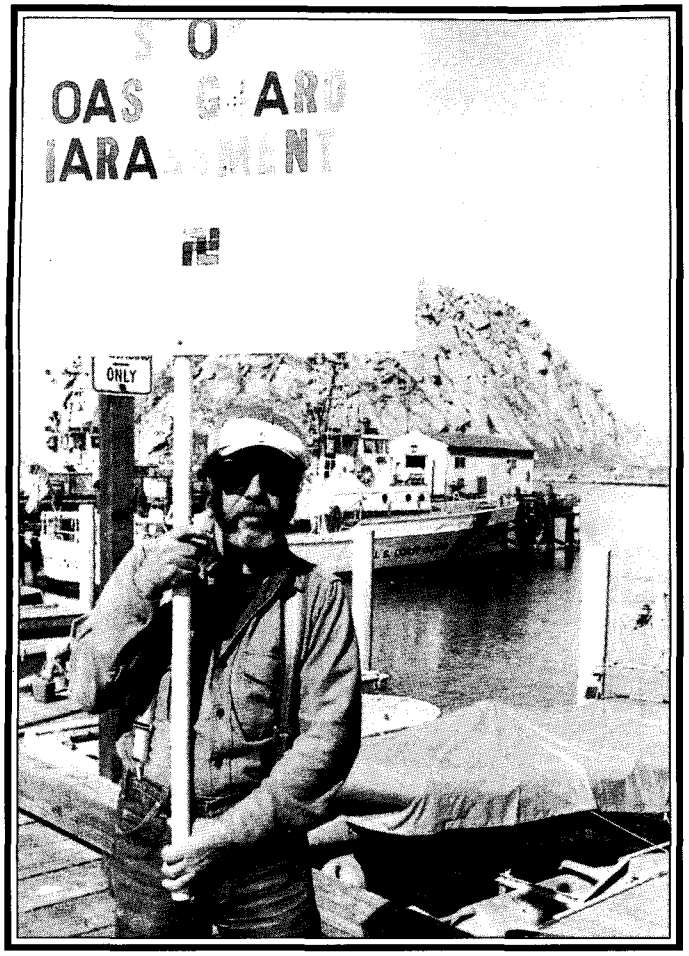
Why fishermen who used to welcome the Coast Guard have started to dread it.

BY MICK KRONMAN

There was a time not long ago when, to most commercial fishermen, the mention of the name "Coast Guard" evoked the image of a sleek, white cutter knifing its way through towering seas toward a rescue. The Guard was the fisherman's friend, ready and willing to save his life.

But times have changed dramatically. Last May 19, California salmon fisherman Jim Blaes drew a line in the waters of Santa Cruz Harbor, at the northern reach of Monterey Bay, and dared the Coast Guard to cross it. Blaes claimed he'd "had a gutful" of the Coast Guard's surprise safety boardings, and refused to allow officers from the 100-foot cutter *Chico* aboard his 36-foot *Helja* unless they left their guns behind.

The Coasties refused his demand, resulting in a tense two-day standoff. During the impasse, the *Chico*, accompanied by a 40-foot patrol boat and a helicopter, shadowed Blaes as he negotiated via cellular phone, granted press interviews, and caught some salmon. At one point he told his pursuers, "I think enough of the



Jim Blaes refused to let Coast Guard officers board his 36-foot salmon boat unless they came unarmed. A two-day standoff resulted.

U.S. Constitution to give up my life for it. If you think enough of it to violate it, then come ahead." Finally the Guard backed off, turning the matter over to the Department of Justice for legal action.

"I was sick of the Coast Guard harassing me," says Blaes, a lifelong fisherman who was armed during the incident with a gun he reportedly uses to protect himself from sharks. "I've been boarded 40 times in the past nine years, and I've repeatedly told them the boardings violate my Fourth Amendment rights against unwarranted searches undertaken without suspicion that a crime has been committed. We've hassled plenty over the issue, and frankly, I thought this time things might turn violent."

Blaes is not alone in his exasperation. Many fishermen say the Guard, once their ally, now exerts itself as much to disrupt lives as to save them.

What happened to make the Guard go from heroism to harassment? The war on drugs. In the 1980s, every fishing vessel became a suspect (or "target," in Coast Guard parlance), and heavily armed young Coasties added a new dimension to fishermen's timeless concern about the dangers at sea. Within the decade, that same zealotry helped mold the Guard's belligerent at-sea enforcement of new vessel-safety regulations. Now fishermen who have always trusted the Coast Guard have also learned to fear it.

The Coast Guard's heritage—one still honored by most of its 36,000 members—is saving lives. Its creed remains, "We have to go out, but we don't have to come back."

Consider, for instance, Coast Guard Station Cape Disappointment, a sentry post at the mouth of the serpentine Columbia River dividing Washington and Oregon. A tiny "Cape D." crew tends the Columbia River Bar, where west-running river and east-running Pacific Ocean roil together over a shallow sandpit, pushing waves to 30 feet. There, the Coasties crash to sea in 41-foot "rollover" rescue boats designed to right themselves after capsizing, snatching disabled mariners from the deep. Assignment to the Cape D. rescue squad remains the most sought-after job in the entire Coast Guard—a testament to the valor of the smallest of the nation's armed forces.

Fishermen in many regions applaud the Guard's search-and-rescue efforts. "Nobody's better at it; I feel as safe as I ever did knowing they're around," says Florida shrimper Eric Schmidt. "Recently, lightning struck a friend of mine's boat. Everything was fried—batteries, pumps, even the engine's starter motor. He was sinking, but the Coast Guard arrived in 20 minutes. Saved him *and* the boat. They were awesome."

On Labor Day, skilled Guardsmen rescued several fishermen whose boats capsized 100 miles west of Eureka, California, when a surprise storm swept through the region's tuna fleet. "We save lives, plain and simple—that's our job," says Cmdr. Bryant Weaver of Coast Guard Group Humboldt Bay, whose helicopters yanked the terrified fishermen from open seas.

Search and Bust

During the past 20 years, however, the Coast Guard has undertaken a slew of law enforcement duties—enough, in fact, to consume nearly half its projected $3.9 billion budget for 1997. "There are just a lot more laws to enforce these days, including drug interdiction and alien smuggling, plus regulations that state and federal agencies impose to conserve fish stocks," notes Lt. Fred Myer, a staff officer in the Guard's Washington, D.C., law enforcement division.

The first big shift in Coast Guard policy and dollars, from search-and-rescue to search-and-bust, came in the early 1980s, when the Reagan administration implemented a draconian "Zero Tolerance" program aimed at interdicting ocean-going drug runners. Under the Z.T. plan, a vessel owner could have his boat and fish seized if anyone aboard possessed so much as a joint—with or without the captain's knowledge. The result: Skippers became cops too, forced to interrogate the crew and, at times, search their personal belongings. This further stressed an industry that, between difficult weather, increased regulation, uncertain markets, and depressed fish stocks, could ill afford it.

It also cost suspect fishermen a pile of money, even in cases where boats and gear were seized but later returned when the feds couldn't make a case. Fueling the cops-and-robbers Z.T. fiasco, fishermen who failed to pay a fine if found guilty of a violation had their vessels and/or equipment turned over to the Customs Service, if guilty of a drug violation, or to the National Ma-

MORRO BAY SUN BULLETIN

rine Fisheries Service, in the case of a fishing violation, to be auctioned off.

Big drug busts made big news, especially in Coast Guard District 7. That's a watery highway of 1.8 million square miles, stretching from the southeast U.S. coast to Puerto Rico, transited by shrimp boats and small freighters smuggling pot or cocaine from Latin America. It was not uncommon during the early 1980s for deep-bellied shrimpers to be caught with up to 20 tons of grass. The same held true for coke; even in 1995, the Coast Guard seized over 18,000 kilograms of it in District 7.

At some point in the hunt, an authoritarian Z.T. mentality came to permeate the Coast Guard's ranks. Boarding crews seemed to live for the bust, often losing sight of personal rights in their effort to catch drug runners. Cutters displayed marijuana- and coca-leaf decals on the sides of their cabins, like notches in a pistol butt, as their hunt for drug smugglers became competitive. Meanwhile, fishing vessels everywhere—especially off Florida and California—became suspects, as well as slow-moving targets.

A Recipe for Abuse

Predictably, problems arose. "Zero Tolerance, combined with the Coast Guard's attitude, created a recipe for abuse and harassment," notes David Paul Horan, a maritime lawyer in Key West, Florida. "One particular case comes to mind. In 1988, an 80-foot shrimper belonging to a man named David Phelps was boarded off the Florida coast, supposedly to look for drugs or stowaways. But within minutes, the Coasties were going through every compartment on board. Finally, at the bottom a one-foot-by-two-foot trash can, beneath a gooey pile of spit tobacco, they found four marijuana seeds. Bam, busted, boat seized—just like that. The whole thing was so outrageous that we had to take up the matter with officials in Washington, D.C., to get it dropped."

California fisherman Steve Kelly offers this bizarre Z.T. tale: "I was fishing for rock cod near Point Conception (near Santa Barbara), driving in circles, zig-zags and figure-eights, staring at my depth sounder, looking for fish. Meanwhile, I could hear a conversation on my marine radio between a Coast Guard patrol boat and a Coast Guard helicopter. They were discussing the suspicious activities of a certain boat—my boat. Finally, they called me and told me to prepare for a boarding. Then, suddenly, the patrol boat radioed for a medical airlift for one of its own crewmen. Apparently, he accidentally shot himself in the ear while readying his weapon for the boarding."

Undaunted, Kelly says, the Coasties persevered. "They radioed for a 90-foot cutter from Marina Del Rey to come search my boat once I anchored. The cutter ran 150 miles to the area, accosted us in the middle of the night and made us huddle on the back deck in our skivvies while they searched my boat. All they found was fish."

Often, even fish couldn't stop a good drug search. "One time, a boarding crew took a long, skinny aluminum pole and poked it repeatedly into bins of shrimp aboard my boat," says one Texas shrimper. "When they began, I had a boatload of $7-a-pound whole shrimp. When they finished, I had $1-a-pound shrimp pieces. There was no need to do it, since I was at the dock, waiting to unload. All they had to do was wait a few minutes and watch the shrimp come out of the hold on a conveyor."

Adds Florida fisherman Eric Schmidt, "The Coast Guard pulled 600 pounds of grouper out of my fish hold and laid them on deck in the blazing sun while they looked for dope. When they were through, the fish were cooked. Who pays for that? I do."

Dennis Henderson, a fisherman who revered the Coast Guard all his life, remembers the day in 1991 when his opinion changed. "I was piloting one of several shrimpers I own, heading from Fort Myers, Florida, to Key West, a 120-mile run," he recalls. "The Coast Guard spotted me through the fog off Fort Myers and sent officers aboard, to check compliance with federal safety regulations." That's when his nightmare began.

"They herded us to the back deck and held us at gunpoint like criminals—me, my wife, and my crew," Henderson recalls. "They wouldn't even let us go to the bathroom. Then they ripped the boat apart, stem to stern. They were obviously looking for drugs, and the 'safety inspection' claim was just an excuse to get aboard. Finally, they simply let us go. No citation. No apology. No cleanup. No nothing."

Shrimper Julius Collins tells a similar tale, about the time he and his crew stood, terrified, while nervous, teenaged Coast

A Coast Guard officer checks a vessel's documentation. The Coast Guard and its predecessor, the Revenue Cutter Service, have been able to legally board vessels at sea since 1790.

U.S. COAST GUARD

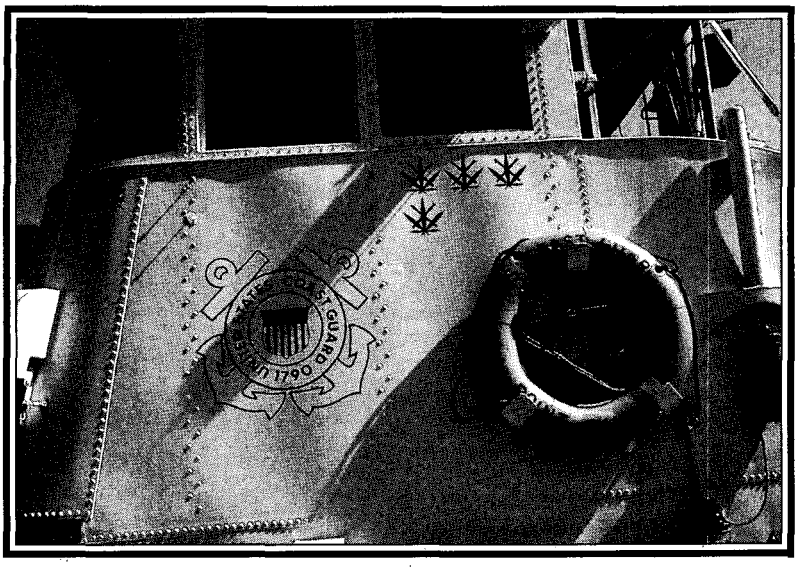
Guardsmen held shotguns on them amid steep, rolling seas. Meanwhile, fellow Coasties gruffly rummaged through his boat, looking for whatever contraband they could find. "It's humiliating and damned dangerous," Collins says. "It's a miracle nobody's been killed during at-sea inspections, either accidentally or on purpose."

One Louisiana fisherman even remembers the time a Coastie who had yet to find his sea legs stumbled and dropped his shotgun on the deck. The fisherman picked up the weapon and handed it back to the young man, saying, "This is yours; I believe you were holding it on me."

Safety Catch

Under fire for its zealous pursuit of personal-use drug cases, the Coast Guard unofficially mellowed its Z.T. program in the late 1980s, choosing to focus instead on nabbing large-scale traffickers. Meanwhile, vessel safety was coming into the spotlight, following the death of a U.S. ambassador's son during a fishing boat disaster in Alaska's Bering Sea.

"At the time, the fishing industry was seeking relief from high insurance costs by limiting boat owners' liability," recalls Rod Moore, a former House Merchant Marine Fisheries Committee staffer and a man who helped write the complex, much-debated Commercial Fishing Industry Vessel Safety Act of 1988. "Congress, however, chose to implement tough safety regs instead, a move that consumer groups and the American Trial Lawyers Association, neither of which favored liability limits, lobbied heavily for."



Coast Guard cutters displayed marijuana- and coca-leaf decals on their cabins, like notches on a gunfighter's pistol butt. Boarding crews seemed to live for the bust.

The Safety Act required fishermen to buy life rafts, emergency radio beacons, fire extinguishers, flares, and "survival suits"—insulated garments worn as a protection against the chill of the sea. Some fishermen praised the new law, but others, especially small-boat fishermen who work near shore, said the safety gear was too expensive ($10,000, plus $1,500 annually for upkeep and recertification) and took up too much space. The high cost, they claimed, forced them to forgo other important safety measures, such as yearly drydocking. Some even claimed that the bulky, 100-pound life rafts rendered their small boats unstable.

One particularly harsh critic was Alan Dujenski, who served 20 years with the Coast Guard (the last five in marine safety) and who now works for a marine insurance brokerage in Seattle. He says the whole safety program was hastily crafted, is rudely enforced, and generally misses the mark.

"Most casualties are caused by a lack of vessel stability, a lack of [a hull's] watertight integrity, insufficient bilge-pumping systems, fatigue, and a lack of seamanship education," Dujenski says. "It's as if the Coast Guard is saying, 'We know your vessel is going to sink, but at least you can save yourself when it does.' The regulations perpetuate the idea that safety equipment is a St. Christopher medal that will protect you from harm. Nothing could be further from the truth."

Though admitting flaws in the safety program, Coast Guard officials note that the number of lives lost after notification of an emergency has dropped significantly since passage of the Safety Act, from over 1,000 per year to fewer than 500. This, they claim, is significant for fishermen, who have the riskiest job in the United States (155 fatalities per 100,000 workers annually, according to the latest available government figures).

Gregory Sharp, crewman aboard a 53-foot fishing boat that capsized in frigid seas off the Washington coast in July 1990, was one of the first ones saved. "She went down in 20 seconds," he recalls. "I barely had time to get scared, let alone grab a survival suit." Sharp hung on to floating debris. "I noticed our [emergency beacon] had floated free," he says. "Its strobe light was blinking, so I figured its radio signal was working, too."

A Russian satellite picked up the emergency signal and relayed it to a station in Illinois. It was then relayed to Seattle and finally to a Coast Guard unit in Astoria, Oregon, across the Columbia River from the famous Cape D. rescue squad. An hour later, Sharp was safe. He offers this message for fishermen reluctant to install the $2,000 radio beacons: "If you can't justify the expense, just ask my wife and children if it's worth it. Better yet, ask your own."

Bellicose Boardings

But the real problem with the Safety Act is the manner in which the Coast Guard enforces it, especially the boardings. Ostensibly intended to check compliance with the law, "most boardings are courteous affairs, undertaken by highly educated, well-trained, respectful officers," says Cmdr. Steve Austin, a New England Coast Guard law enforcement officer. Some fishermen agree. One even recalls the time he was boarded, inspected, then invited to the Coast Guard cutter to eat T-bone steak, drink wine, and swap sea stories.

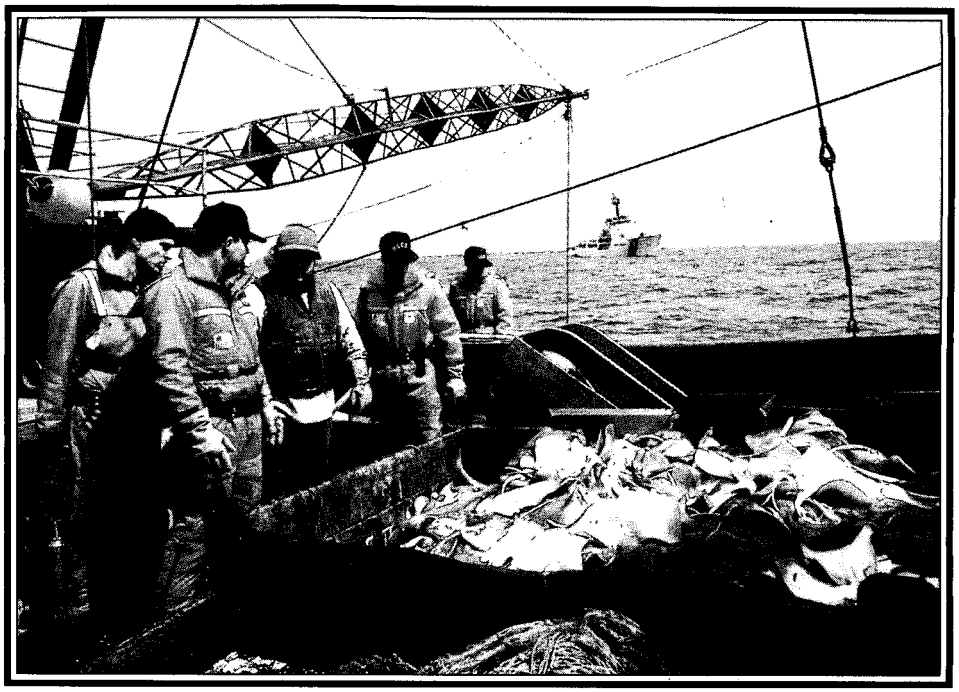
Many fishermen, however, say Coasties packing guns and

MICK KRONMAN

leftover Z.T. attitudes bully their way aboard boats, checking everything from rafts to the size of ship's bell (rarely used for signaling in modern times) or the height of letters on a required placard noting that the discharge of oil is prohibited. These sometimes belligerent searches, which a single boat might endure several times per year, can result in fines approaching $1,000 for a minute violation.

"For the most part, boarding crews have been arrogant, treated us like dirt, hazed us, and responded callously to our inquiries and objections regarding their behavior," noted Mary Wergeland, spokeswoman for a group of 40 Washington, Oregon, and California fishermen, in a September 1993 letter to the executive secretary of the Coast Guard's Marine Safety Council.

"Unfortunately, it's human nature," notes Rod Moore, head of the West Coast Seafood Processors Association. "For years, the Coast Guard was virtually on a wartime footing, engaged primarily in drug and alien interdiction. They faced considerable danger when stopping vessels, since there were cases where innocent-appearing boats were loaded with drugs and high-caliber weapons. That experience, however, bled over into more mundane activity, like safety and fisheries inspections."



The Coast Guard inspects a load of fish. It also has the authority to board any vessel to check documents, conduct safety inspections, or search for drugs, fisheries violations, or illegal aliens.

"In addition, boarding crews are all different," confides a Coast Guard training officer who asked to remain anonymous. "Some check big-ticket items like life rafts. Others check for charts that are rarely, if ever, used. Attitudes vary, too, as does knowledge about fishermen and their operations. And if fishermen give boarding officers any crap, things just get worse, like a motorist jawing at a traffic cop."

Complicating matters, Coast Guard crews rotate around the country, so a young officer who has, say, been on white-knuckle duty off the Florida coast may not carry the right knowledge or attitude when boarding a trawler in Alaska's Bering Sea.

"I've seen the Coast Guard detain the entire 80-man crew of a 200-foot factory ship (which harvests and processes fish at sea) in the Bering Sea for six hours while they searched the vessel like Gestapo, looking for safety or fisheries violations," says Joe Easley, head of the Oregon Trawl Commission, a seafood promotion and lobbying group. "Can you imagine how much that costs, in terms of lost production? And then there's the humiliation of being herded around the deck like a bunch of cattle."

A Fed-up Fleet

That's why, when California salmon fisherman Jim Blaes held off a Coast Guard boarding party for two days last May, few fishermen were surprised. In July, Blaes pleaded "not guilty" to a charge that he "knowingly and forcibly resisted, opposed, impeded, intimidated and interfered with Coast Guard officers engaged in their official duties." At press time, the trial was set for late October.

Following the Blaes incident, fishermen rushed to defend the man they consider a lightning rod for a fed-up fleet of harvesters. "Jim Blaes is no wacko or anti-government kook," says Pietro Parravano, president of the Pacific Coast Federation of Fishermen's Associations, a lobbying group for several California fishermen's organizations. "He did what a lot of other fishermen would like to do."

An angry Zeke Grader, PCFFA's executive director, likens the Coast Guard's at-sea safety boardings to "firemen, brandishing weapons, knocking on your door at 2 a.m., demanding to inspect your fire alarms and, in the course of inspections, sifting through the rest of your house, even your bedroom drawers. It really doesn't matter whether they're courteous or whether fire prevention is a laudable goal. Fact is, you've been awakened, there are intruders in your home, and your privacy has been violated, all for the sake of, perhaps, citing you for a weak battery in your smoke detector. It's time the government established new procedures for boarding fishing boats."

Federal law grants the Coast Guard authority to board any vessel operating in U.S. waters or any U.S. boat operating anywhere in the world to review documents, conduct safety inspections, or search for drugs, illegal aliens, fisheries violations, or whatever else they choose. The applicable statute dates to June 1878. But its antecedents date to 1790, when the Coast Guard's predecessor—the Revenue Cutter Service—was granted equally broad authority to board vessels at sea.

"Back then, the idea was to ensure that cargo ships landing at

U.S. COAST GUARD

East Coast ports paid import taxes and tariffs levied by our new country," explains Lt. Fred Myer. Intercepting gun runners who might arm a counterrevolution was also a high priority. "Certainly, our mission has broadened considerably since then, to include search-and-rescue, maintenance of aids to navigation, environmental protection, and enforcement of fisheries and safety laws," Myer says. "But our authority to conduct searches remains the same."

Despite Jim Blaes's and other fishermen's respect for the Constitution, they may have trouble defending themselves with it. The courts have repeatedly upheld the Coast Guard's right to search vessels at sea, dancing gingerly around seamen's legal expectation of a "reasonable right of privacy" and general Fourth Amendment protections. Justices typically lean toward the side of government, citing the dangerous, near-overwhelming task of keeping drug runners, illegal aliens, fisheries violators, and unsafe vessels off U.S. waterways.

Coast Guard boarding officers measure the mesh size on this trawl net. The mesh size is strictly regulated; otherwise the net will catch fish that are too small or species that are prohibited in the area.

Stilling the Waters?

Remarkably, no fishermen or Coasties have been killed or seriously injured during boardings in recent memory (25,000 are conducted per year on all types of vessels). Coast Guard officials also report that in the past two years, only 13 fishermen have had to be subdued, handcuffed, or arrested, either for verbal or physical assaults on boarding officers ("mostly when they flex beer muscles," says one boarding officer).

Still, there is potential for disaster. "Somebody's going to get killed unless boarding policies change; it's inevitable," predicts one Florida shrimper. "It'll probably happen at night, when these guys storm onto a boat unannounced with pistols, automatic weapons and mace, startling a fisherman from a sound sleep. And believe me, plenty of fishermen sleep with guns beneath their pillows. Coast Guardsmen know it, too, and that makes them edgy and fearful as well. The whole thing is a formula for disaster and will only get better when boarding policies are changed."

To reduce the chances of a disaster, the Coast Guard has established training schools for its officers, as well as industry/agency working groups in several districts. It has also developed a program by which fishermen can volunteer for dockside safety inspections, with no fear of citations, just a "fix it" list of items to purchase or repair. Once a fisherman has fully complied, he receives a decal, which he affixes to the boat's cabin window.

Despite its good intentions, the dockside program has created confusion and helped aggravate ill-will over at-sea boardings. Bob Jones of the Southeast Fisheries Association argues that "the safety decal should indicate that a fisherman has demonstrated compliance and should tell the Coast Guard 'hands off.' A lot of fishermen believe that's the case, and are alarmed and angered when they're subsequently boarded at sea for safety inspections."

But "regardless of what fishermen believe, the safety decal doesn't guarantee they won't be boarded," cautions Cmdr. Steve Austin, who works with a Coast Guard/Commercial Fishing Law Enforcement Group in New England, a forum through which the two sides exchange ideas. "[Fishing boats] may look fine at the dock, but if they're not up to par at sea, people die."

Most fishermen agree that continued training programs, workshops, and friendly dockside inspections that exempt them from repeated at-sea boardings would promote safety and help ease relations with the Guard. Given the Guard's broad authority, Congress should ban inspections of vessels with dockside safety decals. Although Coast Guard Commandant Robert Kramek has mandated that such boardings be "cursory," fishermen complain that the directive is not being followed.

At least one Coast Guard officer who works in Bob Jones's region believes friendly, dockside boardings promote safety better than tense, adversarial encounters at sea. "We've seen fewer emergency cases since full implementation of the dockside safety program," notes Lt. Rich Gonzales, fishing vessel safety coordinator for the infamous 7th District. "When fishermen are tied to the pier for an inspection, they don't lose money, weather isn't a factor, and we have the time to relax, talk, and educate," says Gonzales. "As a result, we get compliance without having to intrude on their fishing operations. This is how the program is supposed to work and how it should be implemented." ®

Mick Kronman (MKronman@aol.com), a former commercial fisherman, is a Santa Barbara–based writer who specializes in maritime issues.

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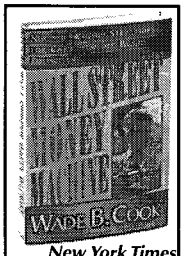

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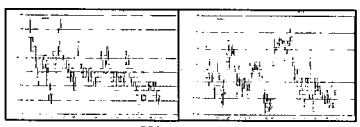

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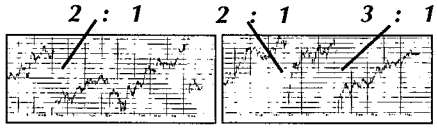

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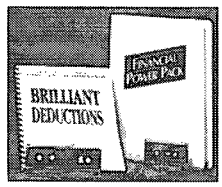

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RAIDING THE VIPERS' NEST

By Alan W. Bock

The BATF claims "Team Viper" was a radical militia group bent on committing terrorist acts. But where is the evidence?

On July 1, the militia movement was back in the news as the Bureau of Alcohol, Tobacco, and Firearms arrested a dozen members of a group it called the "Viper Militia." President Clinton offered his congratulations the next day, "saluting the enforcement officers who made the arrests in Arizona yesterday to avert a terrible terrorist attack. Their dedication and hard work over the last six months may have saved many lives." Attorney General Janet Reno was also effusive, declaring that the BATF agents had bravely defended the nation from "a potentially dangerous situation." Raymond Kelly, the Treasury Department undersecretary who oversees the BATF, hailed the demise of an "armed and dangerous" militia group bent on stirring up "civil unrest."

Government spokesmen described a plot, supposedly recorded on videotape, to blow up several federal buildings, the Phoenix Police Department, the Arizona National Guard headquarters, and a local TV station. BATF officials spoke of seizing 77 machine guns, hundreds of other firearms, tens of thousands of rounds of ammunition, booby traps, tons of ammonium nitrate (the fertilizer used in the Oklahoma City bombing), and explosives such as nitromethane (also used in Oklahoma City) and lead azide, described by experts as a powerful and unstable primary explosive.

All in all, it sounded as if the BATF had done what it is supposed to do: prevent domestic terrorists from wreaking havoc. The local and national media helped trumpet the achievement, flashing colorful graphics of targeted buildings on television screens and trekking with cameras to remote desert areas where the Vipers had blown things to smithereens. " 'Vipers' in the 'Burbs," read the headline on the lead story of *Newsweek*'s July 15 issue. "They all looked ordinary, but harbored an obsession with guns—and possibly terror," said the subhead. "The Feds may have busted them just in time." The story continued, "How this particular mix of people came so close to the edge of terrorist violence is a mystery for now," but "given the Vipers' wild talk and vast arsenal, the Feds had no real choice but to move sooner rather than later."

Since then, some details have come to light that suggest the Vipers were not quite as dangerous as the BATF would have us believe. Further grounds for skepticism are likely to emerge at their trial, scheduled to begin December 3. It will be interesting to see whether the national media follow these developments with the same breathless attention they devoted to the case as the government spun it on that first day.

As it turned out, there was no terrorist plot. Furthermore, the "vast arsenal" kept shrinking. Seventy-seven machine guns dwindled to four, and the unstable lead azide was transformed into lead styphnate, then lead picrate, a less dangerous compound. The amount of ammonium nitrate was reduced to 500 pounds, plus 14 or 15 gallons of nitromethane, all of which is legal to possess. But we'll have to take the BATF's word for all of this, because agents rushed the seized explosives (alleged explosives?) to the desert and blew them up. Most of the guns turned out to be legal World War I and World War II surplus rifles—not surprising, since a couple of the men arrested were collectors and one had a federal firearms license.

Oh, and by the way, there was no militia. The name "Viper Militia" first surfaced in a BATF affidavit and was dutifully transmitted in press reports. But the group called itself Team Viper or the Viper Team, not the Viper Militia. The government has not alleged that the Viper Team was affiliated with any militia group (though some of its members were rumored to have been kicked out of a group called the Militia of Arizona, and Viper was briefly affiliated with an ad hoc Arizona militia umbrella group called Alliance in Militias, but pulled themselves out). Nor are the

Eight members of the Viper Team arrested July 1, 1996: (top, left to right) Gary Curtis Bauer, Dean Carl Pleasant, Randy Lynn Nelson, Henry Alfred Overturf, (bottom) Charles Franklin Knight, David Wayne Belliveau, Ellen Adella Belliveau, and Scott Jeffrey Shero.

REUTERS/STRINGER/ARCHIVE PHOTOS

Vipers mentioned in two recent books on the dangers of the militia movement by Morris Dees of the Southern Poverty Law Center and Kenneth Stern of the American Jewish Committee. (See "The Militias Are Coming," August/September.) This particular militia threat seems to have been conjured up mainly by the BATF.

Government spokesmen said the Vipers came to the BATF's attention after hunters and Boy Scouts encountered armed people in camouflage who were setting off explosions in the Tonto National Forest, about 60 miles northeast of Phoenix. One of the hunters reported the incident to a state Game and Fish officer in November 1995. He said the armed men, who warned the visitors to leave the area, claimed to be working security for a mining operation that was blasting nearby.

In many parts of the country, explosions would tend to alarm the neighbors. The desert surrounding Phoenix, however, is vast and almost uninhabited. I hadn't been to the city for several years before I went there in August, and I was impressed by how it had grown, fed by water from the Central Arizona Project. Its suburbs spread for miles, dotted with new shopping centers and rambling ranch-style homes. Downtown, new office buildings gleam in the bright sunlight, housing high-tech firms alongside the offices of more traditional agricultural concerns. About 60 percent of Arizona's 3.7 million residents live in or near Phoenix. But outside the metropolitan area, which extends about 25 miles from downtown Phoenix, people are few and far between, and this is where the hunters and the Boy Scouts ran into the men in camouflage.

After the report, the Game and Fish officer joined the Viper Team as an undercover agent—taking an oath, required of all members, to kill infiltrators or informants. He collected information on the group's activities and plans, setting up video and audio surveillance of meetings. It's unclear when the informant began working directly for the BATF, but he was eventually joined by another infiltrator. After several months of meetings in Phoe-

nix houses and apartments and several sessions with weapons and explosives in the desert, the BATF decided it had enough evidence to justify arrests and searches of the Vipers' homes.

In the first few days after the arrests, there was a lot of talk about plots to blow up government buildings. But in the actual indictments, no such charges were included. Six members of the group—Randy Nelson, Finis (Rick) Walker, Dean Pleasant, Gary Bauer, and Gary and Ellen Belliveau—were charged with "conspiracy to furnish instruction in the use of explosive devices and other techniques in furtherance of civil disorder." Together with the other six—Charles Knight III, Henry Overturf, Walter Sanville, Scott Shero, Donna Williams, and Christopher Floyd—they were also charged with "conspiracy to unlawfully manufacture, receive and possess unregistered destructive devices made with ammonium nitrate." Finally, Nelson, Pleasant, and Bauer were charged with "unlawful possession of machine guns."

The conspiracy charges hinge on intent. To obtain convictions on the charge of unlawfully manufacturing and possessing "destructive devices," the government will have to show that the Vipers intended to use the explosives as weapons and designed them with that in mind. To substantiate the other conspiracy charge, the government needs to prove that the Vipers intended to create civil disorder. That may not be easy.

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The Vipers, 10 men and two women, include a few maintenance men, an engineer, a house painter, the owner of an air-conditioning service, an AT&T employee, and a doorman at a topless nightclub. Some are religious and quiet, while others are, as *Soldier of Fortune* consulting editor and Mesa, Arizona, resident Richard L. Sherrow puts it, "loud-mouthed smartasses." Republicans, Libertarians, and a Democrat, some were involved in mainstream politics at the same time they worried about black helicopters, the New World Order, and federal plans to conduct house-to-house searches for private weapons. The Vipers had regular meetings, and some of them did go into the desert to fire weapons, allegedly including machine guns, and set off explosives. They published a newsletter that featured the logo *SHF*—for "Suicidal Hippie Fucks." Two of the Vipers, Dean Pleasant and Randy Nelson, showed up at a *Soldier of Fortune* shooting competition in Las Vegas in September 1995 wearing T-shirts with that slogan. They made a generally negative impression. Sherrow, a 20-year Army veteran and explosives expert who spent six years in the BATF, says these guys were "wannabe warriors...the gang that couldn't shoot straight."

Like Sherrow, most of the people I talked to in Phoenix thought the Vipers were, at worst, tough-talking jerks. A few, including Maricopa County Libertarian Party Chairman Ernie Hancock, have a somewhat higher opinion of the group. He calls Pleasant a friend and serious activist. Pleasant, he says, recently brought to light and testified against a bill that would have made the organized and unorganized militia in Arizona, which under the state constitution consists of all able-bodied males of a certain age and is not supervised by any government official, subject to the federal adjutant general.

While not exactly mainstream even within the party (he supported Rick Tompkins's challenge to Harry Browne, considering the eventual L.P. presidential candidate too moderate), Hancock takes seriously the pledge all party members take not to initiate violence. So, he says, did Pleasant, a one-time L.P. candidate for state senator. As a Viper, Pleasant was prepared to resist any government attempt to disarm the populace and assert dictatorial control, a prospect that strikes most people, including L.P. activists, as wildly implausible. Still, Hancock believes that nothing the Vipers did violated the letter or spirit of the L.P. pledge. Over a breakfast at a Denny's in north Phoenix, he argues that the charges against them amount to a "conspiracy to learn and to teach. It's all about controlling speech and knowledge."

Hancock has a point. Those who object to laws against the mere possession of an implement or substance will find these arrests inherently objectionable. But even those who believe the government has a right or a duty to outlaw the possession of certain dangerous things should find the Viper case disturbing. Judging by the currently available evidence, the Vipers were inaccurately and unfairly demonized as terrorists. Lacking proof of an actual plot to blow up anything, the government covered itself by charging the defendants with teaching and learning about explosives. But simply possessing and using most explosives is not illegal. If it were, plenty of farmers and ranchers—who use explosives not just to clear stumps and rocks but because it's fun to make things go boom—would find themselves in trouble. The Vipers attracted the government's attention by combining explosives with eccentric political beliefs. It was not so much what they did as what they said that bothered the BATF.

As *Newsweek* put it, "The real reason for the government's concern was that Viper leaders, according to ATF investigators and many in the militia movement, had a history of talking dangerously tough."

But did this dangerous talk justify locking the Vipers up? An early indication came a week after the arrests, during hearings to determine whether the 12 would be freed on bail or remain in jail pending trial. This is usually a relatively quick and straightforward procedure, but the hearings dragged on for four days. The government had originally planned to present several witnesses, but in the end the prosecution didn't call the BATF agent most familiar with the case, Jose Wall, who had sworn out the affidavit seeking search and arrest warrants. Instead, his boss, nine-year BATF veteran and group supervisor Steven Ott, was the only prosecution witness. Defense attorneys questioned him aggressively.

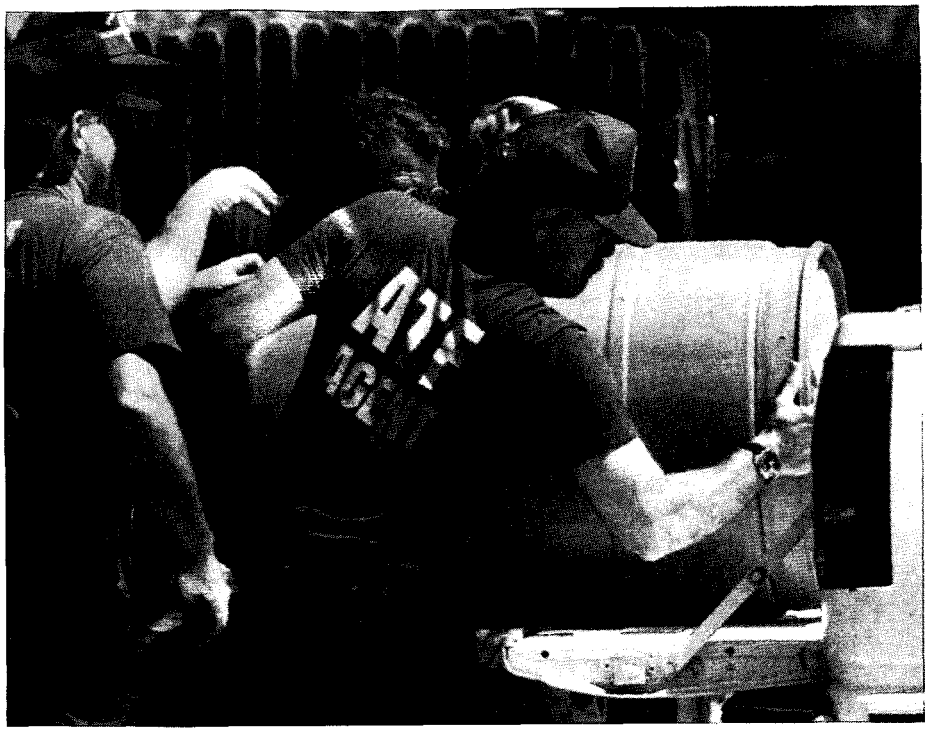
Referring to the alleged bomb plot, attorney Jeffrey Ross, representing Scott Shero, asked Ott, "Isn't it a fact that this wasn't true?"

"That's correct," Ott replied. The undercover informants had learned about a two-year-old videotape showing several buildings in Phoenix that might be potential targets in the event of a takeover by the New World Order, with a narrator discussing their vulnerabilities. But Ott testified that the Vipers were far from implementing a bomb plot and did not represent an immediate danger.

Ross pressed on: "In referring to the ATF affidavit [for a search warrant], it was claimed that all members participated in making explosives. Isn't it a fact that this isn't true? And that the targets were to be considered only in the event of a 'New World Order' takeover? Isn't that correct?"

"Yes, that's correct," replied Ott. "We felt our undercover agent knew what they were planning, and [they] had no plans to conduct bombings of these buildings at that time." He also admitted he had no clear evidence that the group had created a big crater in the desert with explosives, as reported in the BATF affidavit.

Ultimately, U.S. District Judge Earl Carroll ruled that six of the defendants—Knight, Shero, Williams, Sanville, Overturf, and Floyd—could be released without bail, on their own recognizance, until the trial. Fitted with electronic ankle bracelets (for which each had to pay $4.97 a day), they were required to report daily to court and confer weekly with their lawyers. They were forbidden to contact each other or have anything to do with firearms or destructive devices. The judge would not have approved such an arrangement if he thought these six represented a clear and present danger to public safety. Their release seemed to contradict the notion that "the Feds had no real choice but to move sooner rather than later." Henry Overturf turned himself back into jail, saying he lost his job and couldn't find new work because of his notoriety and thus couldn't afford to live on the outside. Donna Williams also lost her job within days of her release, and can't find another.



BATF agents load one of several drums containing allegedly explosive material onto a truck following the search of a Phoenix home linked to the Viper Team. Over time, the government reduced its claims as to the amounts of weapons and explosives, and the potency of materials, the defendants had.

SCOTT TROYANOS/AP WIDE WORLD PHOTOS

The trial is likely to produce further embarrassments. Defense attorneys will be eager to talk about Shooter's World, a gun store in Phoenix where both of the BATF's undercover agents worked during the Viper investigation. According to *The Arizona Republic*, inspectors from the bureau's regulatory branch found discrepancies in more than 5,000 weapons transactions processed by the store, and the store was still unable to account for at least 369 weapons. The inspectors concluded that Shooter's World usually failed to report stolen weapons as required by law, and the owners' attitude toward federal regulations was so lackadaisical that local BATF officials recommended pulling the store's license. They were overruled by the Dallas regional office, which ordered the license renewed. BATF spokesmen say the renewal and the Viper undercover operation are unrelated, that the bureau's regulatory and criminal divisions operate independently of one another. But defense attorneys plan to ask whether providing jobs for the undercover agents conduct-

ing the Viper investigation was the price for renewing the store's license. If the allegation seems plausible in court, it will raise the question of whether the BATF, as critics allege, routinely pressures people caught violating firearms laws into assisting undercover operations of dubious value.

Then there's the crater in the desert, six feet deep by at least 12 feet across, supposedly made by the Vipers and their dangerous fixation with explosives. The crater was described repeatedly in the affidavit backing up the search and arrest warrants. It turns out, however, that it was made by local sheriffs, who found some two dozen 50-pound bags of old explosives in a shed near an abandoned mine. Rather than leaving them there for some fool to stumble across, they detonated them—making the crater the Vipers were supposed to have made—and filed a report. Did the BATF not take the trouble to check with local agencies before completing its affidavit, or was it aware all along that the Vipers hadn't made the crater? Neither explanation is flattering.

Another question is whether the bureau's undercover agents operated simply as informants or more as *provocateurs*, urging the Vipers to escalate their activities. Defense attorneys have already alleged that the two undercover operatives urged the Vipers to distribute anti-Semitic and racist literature produced by the Aryan Nations, but were voted down. Ott admitted under oath that the undercover agents strongly suggested the group start robbing banks to finance its activities, another idea the Vipers rejected. When the Vipers decided to stop experimenting with explosives, say the defense attorneys, the informants convinced them to continue, and they may even have supplied some of the explosives.

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The BATF and U.S. Attorney Janet Napolitano may have overlooked the weaknesses in the case against the Vipers because both were eager for some good press. Napolitano, a Clinton appointee, last January 1996 declined to seek search warrants requested by U.S. postal inspectors who were finishing a two-year child pornography sting operation. The inspectors, who had received 106 warrants with the help of other federal officials during the investigation, were surprised. They turned to Maricopa County officials, who obtained the warrants and made the arrests. A search of the prime Phoenix suspect's house yielded numerous photos and videotapes of children having sex with men, plus a confession that the suspect had sodomized numerous boys. The case became a public issue in May when a postal inspector appeared on ABC's *20/20* with a letter from Napolitano stating that she had refused to take the child pornography case because it unfairly targeted homosexual men. Perhaps she was right, but the case has generated local criticism and a Senate investigation.

The BATF's troubles have been widely publicized, although so far the bureau's blunders seem to have led mainly to budget increases. Within the past year, the agency has had to account for its actions before a House subcommittee on the Waco tragedy and a Senate subcommittee looking into the shootings at Ruby Ridge. In both cases, the BATF came under the heaviest criticism of any federal agency for its initial actions and for the inadequacy of internal review procedures, which seemed aimed more at justifying or covering up than getting at the truth. In its report on Ruby Ridge, the Senate terrorism subcommittee cited the bureau's "unwillingness to acknowledge obvious shortcomings, such as misstatements of [Randy] Weaver's background. This kind of refusal to admit mistakes may have a tendency to encourage similar behavior by ATF agents in the future." The Senate subcommittee promised hearings on the issue of "whether the ATF should continue as a separate agency." The question of the ATF's continued existence has arisen several times since the early days of the Reagan administration, most recently when Vice President Al Gore's "reinventing government" commission considered the possibility of merging the agency with the FBI. For the BATF, a public relations coup could hardly have been unwelcome.

The bureau may still get that image boost, whatever the outcome of the Viper trial. Although the local press offered good follow-up reporting on the weaknesses in the case, the national media have shown little interest in recent developments. If that pattern continues, most Americans will remember a heroic arrest of domestic terrorists by a beleaguered agency that finally seemed to be getting its act together. But if the national media cover the trial and its outcome with anything like the attention they gave the arrests, the BATF could find that another operation intended to burnish its image has tarnished it still further. ®

Alan W. Bock is senior essayist for the Orange County *(California)* Register *and author of* Ambush at Ruby Ridge *(Dickens Press), the paperback edition of which has just been published by Berkley.*

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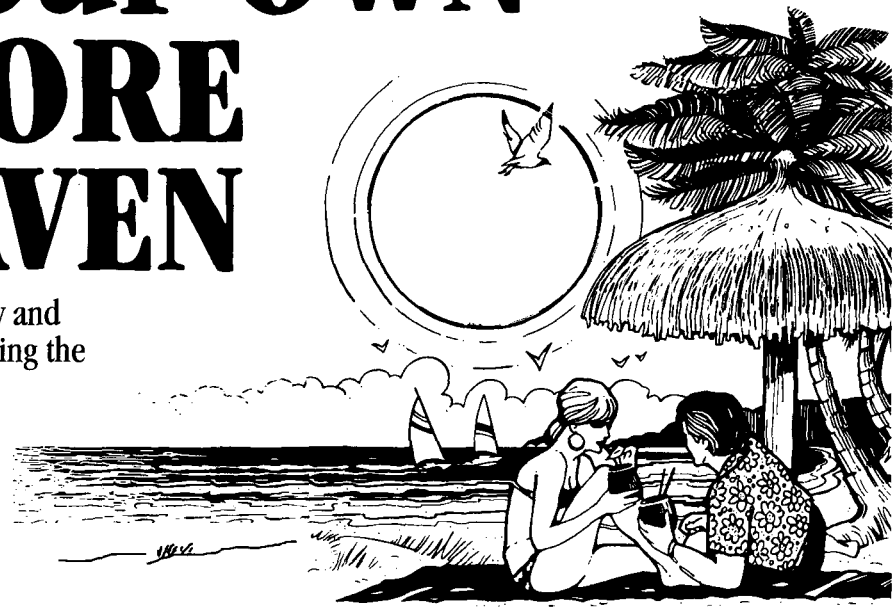

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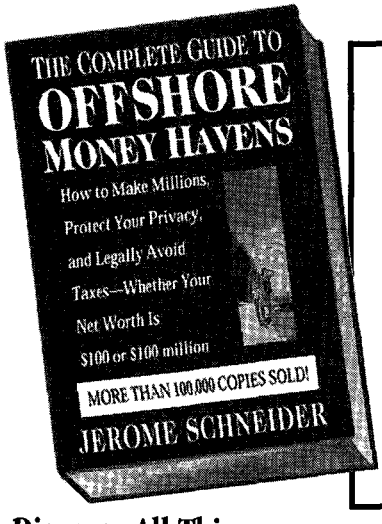
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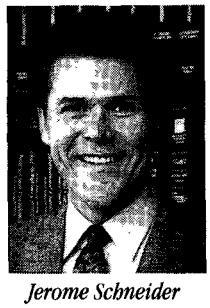

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Jerome Schneider is a foremost authority on international finance and investing. For more than 20 years, he has helped businessmen, investors and entrepreneurs make and save fortunes using the world's offshore financial centers.

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Reason

Art & Artifacts

For the past several years, technology has been a major topic of well-received books—most of them resolutely opposed to the idea. Seeing no reason why thoughtful, well-written books should be limited to condemning the artifacts of human ingenuity, REASON asked a number of writers and scholars to recommend three books—preferably including a work of fiction—that provide a more positive, or at least more complex, view of the relationship between human beings and the made world.

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Walter Truett Anderson

In recent times we have seen the emergence of a new polarization—anti-technology vs. pro-technology, Luddite vs. techie. The neo-Luddites dream of people leaving technology behind and advancing into a future that looks—well, looks a lot like the past. The techies dream of artificial intelligence—computers so brilliant that they can advance and leave people behind. (See, for example, the cyberpunk classic *Neuromancer*.) Along with this goes a lot of argument—much of it useless hyperbole—about whether technology is good or bad, destroyer or savior.

What we really need to do, rather than take sides in any such simplistic fistfights, is to understand how inseparable technological change is from human evolution. Technology is us.

Two books that I will mention here address this issue straight on. The third, a work of science fiction, illuminates it in more indirect ways, as fiction should.

Origins of the Modern Mind (1991), by the Canadian psychologist Merlin Donald, argues that the human species has evolved by developing new "systems of representation," and that at each stage—as people invent new ways to communicate and manage information—we become in fact a different species. The first big jump, he says, was the invention of mimesis. Then came speech, then—much later—writing. We are now in the midst of another such transition, and it is literally changing the way we think: "The growth of the external memory system," he says, "has now so far outpaced biological memory that it is no exaggeration to say that we are permanently wedded to our great invention, in a cognitive symbiosis unique in nature." What this means is that we are now evolving into computer-connected beings with a computer culture and a computer civilization.

Bruce Mazlish of MIT makes a similar point in *The Fourth Discontinuity* (1993), although his framework is more historical than evolutionary. He takes his title from the proposition that the human species has in recent centuries gone through a number of "discontinuities," each of which involved learning new—and disturbing—lessons about the world and our place in it. We learned the Copernican lesson that our planet is not discontinuous from the heavenly bodies, we learned the Darwinian lesson that humans are not discontinuous from the animals, and we learned the Freudian lesson that the conscious mind is not discontinuous from its preconscious origins. Now, he says, "humans are on the threshold of decisively breaking past the discontinuity between themselves and machines," discovering "that tools and machines are inseparable from evolving human nature." Mazlish's book doesn't footnote Donald's, and I don't think that is an academic oversight. Rather, I suspect he merely moved along his own disciplinary path (he is a historian) and came to a quite similar conclusion.

Kim Stanley Robinson isn't trying to make any such point in *Blue Mars* (1996), but he makes quite a few anyway. This is the third volume in a trilogy (the previous installments were *Red Mars* and *Green Mars*) about an expedition to Mars that results in the deliberate transformation of the planetary ecology and the growth of a new human civilization. Robinson's books reflect most of the current scientific thinking about "terraforming," and also show how that issue might lead to a new kind of technophobe-technophile argument. The major political groupings in his story are the Greens who are eager to modify the planet, and the Reds (more or less similar to the Greens here on Earth), who prefer to leave it alone. In the books the Reds win many of the arguments, but the Greens proceed to change Mars—while human beings move on to terraform Venus, various asteroids, and the moons of the outer planets. Along the way they go through several technological revolutions and evolve some fancy artificial intelligence, but remain recognizably human. Technological change and human evolution proceed inseparably from one another, much as (according to Donald and Mazlish) they always have.

Walter Truett Anderson (waltt@well.com) is a political scientist, journalist, and author/editor of numerous books—most recently Evolution Isn't What It Used to Be: The Augmented Animal and the Whole Wired World *(W.H. Freeman) and* The Truth About the Truth: De-confusing and Re-constructing the Postmodern World *(Tarcher/Putnam).*

Stephen Cox

To grasp the significance of technology, it's helpful to look at a society that didn't have much of it to go around. *Conquest* (1993), Hugh Thomas's magisterial account of the destruction of the Aztec Empire, shows precisely how far a society could advance without wheels, nails, or candles. (The lack of firearms was a comparatively minor problem.) Thomas demonstrates what can and can't be done in such a society, and he dramatically illustrates its vulnerability to any competitor that has marginally less primitive tools.

But material technology is the child of intellectual technology, whose best conquests are peaceful ones. A remarkable example is the sudden triumph of agriculture on the North American plains—an effect of the advanced intellectual technology of free enterprise. Willa Cather's great novel *O Pioneers!* (1913) richly evokes the experience. Cather's protagonist is a young woman who is distinguished by her skillful use of capitalist methods. Hoping to do more than scratch out a modest living through sheer hard work, she takes the risk of thinking. She invests in real estate and farming methods that other people scorn, and her investments pay off. She transforms both her land and her life.

You can't understand technology without understanding how people think about technology, and, of course, you need to know the bad ideas as well as the good. That's why I want to insert a recommendation of just one influentially bad book, Thorstein Veblen's *The Engineers and the Price System* (1921). Veblen ably advocates a leading myth of the machine age: the idea that material technology "advances" because of people's collective efforts, only to be manipulated and hindered by capitalists for the sake of their private profits. This idea represents a profound misapprehension of the ways in which material technology is affected by investment, market prices, and property rights. Veblen recommended that capitalists be replaced by a "Soviet of technicians" that could "take care of the material welfare of the under-

JAE SHIM

lying population"—a proposal that is either chilling or comic, depending on the way you want to take it, but that is very much in the 20th-century spirit.

One of the finest books written in opposition to that spirit is Isabel Paterson's *The God of the Machine* (1943; republished 1993, with an introduction by me). Paterson offers a complex and compelling theory of history that explains the relationship between a dynamically developing material technology and the concepts of individual rights that are fundamental to capitalism. And she adds a warning to anyone who assumes that the industrial machine on which modern life depends will keep on humming even in a world dominated by social engineering. "For the very reason that the action of inanimate machinery is predetermined," she says, "the men who use it must be free. No other arrangement is feasible." After reading Paterson, one can hardly look at a toaster, much less a computer, without thinking of the Bill of Rights. But that's as it should be. It's not an accident that rights came first and toasters came second.

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Stephen Cox (sdcox@ucsd.edu) is a professor of literature at the University of California, San Diego, and the author of Love and Logic: The Evolution of Blake's Thought *(University of Michigan Press).*

Penn Jillette

When you're in a Spielberg state of mind, try this: Take a baby from 150,000 years ago and raise him/her in modern Manhattan. What have you got? You've got a 21st-century kid, with in-line skates. Now, take the next kid born now and send him/her back 150,000 years and what have you got? Some grub-scrounging missing link.

Technology is all that matters. Technology is all that makes us human. You want books on technology? Every goddamned book is about technology. Every conversation is technology. Technology is all we got. If you don't like technology, you don't like humans.

If you want the above premise written by authors who aren't smartasses, try *Making Silent Stones Speak: Human Evolution and the Dawn of Technology* (1993), by Kathy D. Schick and Nicholas Toth. They're a nutty couple that went out, lived in the bush, made stone-aged tools, and used them for wacky stuff like butchering an elephant. Is that science or performance art? It's the best of both. Read it.

You want another book that'll rock your world? Try *The Beak of the Finch* (1994), by Jonathan Weiner. It's about another cool science-nut couple. The couple is perfect, but the author screws the pooch with biblical references. Jesus and Bible quotes in a science book are pure evil. He also misuses the phrase, "Possession is 9/10ths of the law," and yaps about Zen, global warming, and other hippie Luddite ideas. It's still a great book. This nutty couple goes and lives on one of those rocky, useless, Darwin islands and measures the length of the beaks of the finches (it's a well-named book). Again very close to performance art. They see evolution happening! Technology finding out exactly how we got here.

These books make you love goofy couples. The book I want now is the sex book about these wilderness-science couples. Never mind Pamela Anderson and Tommy Lee, I want to hear the nasty on the professionals that have nothing to do but discover our world like humans and screw like beasts. Those are the techno-videos I want to study.

The cheeses at REASON asked me to include one work of fiction. Why not include the best work of fiction in the world? *The Mezzanine* (1986), by Nicholson Baker, will kick your ass. I laughed, I cried. What the hell more you want? After science-sex couples use technology to learn about who we are and how we got here, let Nick think about it. His character takes a deep whiff of the madeleine of our modern world and records everything he thinks while riding the escalator. It's an importantly funny book. When your thoughts overlap his, you get that universal-one-world-one-people feel that's so great and when you don't overlap it's "oh-man-we're-all-alone," Camus-city. Both feelings are important. Both are true. *The Mezzanine* is true.

And it's technology that lets us think together.

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Jonathan Kochmer and Jeff Bezos

Jonathan Swift's 1696 satire, "Battle of the Books," describes a passionate war between armies of living books—the Ancients and the Moderns. Exactly 300 years later, equally vigorous yet often simplistic battles rage among today's Ancients and Moderns: technophobes and technophiles.

The Pinball Effect, *Out of Control*, and *Haroun and the Sea of Stories* are three books that abandon simple explanation, instead acknowledging complex interdependencies between the makers and the made. They also explore the possibility that distinctions between society and technology are becoming less pronounced.

Everyone recognizes that technological history is complex, but most authors still clutch timelines and linear paths of cause and effect like drowning sailors. In contrast, James Burke's *The Pinball Effect* (1996) is a stunningly original and joyously otterine swim throughout the sea of history: Few other books we

know so masterfully document the dizzyingly intricate symbioses of inventors and invention.

Kevin Kelly's *Out of Control* (1994) demonstrates that human artifacts such as machines, networks, and economies are becoming like organisms, ecologies, and societies—sometimes by design, but increasingly by emergence. Will centralized, engineering-oriented solutions be abandoned as the distinction between the made and the living dissolve? Some call Kelly a technophile, but he is in fact a syncretic biophile: His rallying cry is "life is the ultimate technology."

Finally, Salman Rushdie's *Haroun and the Sea of Stories* (1990) can be read as a lyrical parable of culture as a technology, with stories portrayed as the machinery of cultural replication. And few would suspect that Rushdie has written one of the best metaphorical descriptions of the Internet: "...the water...was made up of a thousand thousand thousand and one different currents, each one a different color weaving in and out of one another like a liquid tapestry of breathtaking complexity; and Iff explained that these were the Streams of Story, that each coloured strand represented and contained a single tale...as all the stories that had ever been told and many that were still in the process of being invented could be found here, the Ocean of the Streams of Story was in fact the biggest library in the universe....the stories were held here in fluid form, they retained the ability to change...unlike a library of books, the Ocean of the Streams of Story was much more than a storeroom of yarns. It was not dead, but alive....'And if you are very, very careful, or very, very highly skilled, you can dip a cup into the Ocean...and you can fill it with water from a single, pure Stream of Story.'"

Increasingly, the meaningful question may not be whether technology is good or bad, but instead, whether there are substantive differences between the makers and the made.

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Take a baby from 150,000 years ago and raise him/her in modern Manhattan. What have you got? You've got a 21st-century kid, with in-line skates. Now, take the next kid born now and send him/her back 150,000 years and what have you got? Some grub-scrounging missing link.

Bart Kosko

I first began to think how technology relates to society when I read and reread Daniel Defoe's *Robinson Crusoe* (1719) in grade school. The stranded Crusoe is a society of one person for much of the book. He defied the claim of John Donne and Ernest Hemingway that no man is an island. Crusoe was a social island on an ocean island. He fought his way through John Locke's state of nature only to later have to fight the island natives in Thomas Hobbes's war of all against all.

Crusoe used technology to fight these battles for personal and political survival. He used ideas to shape the structure of his world. Crusoe killed goats for their meat and hides. He made weapons from bones and stones. He built a shelter from tree parts and hides. Defoe helped him with the rifle and the shipwrecked barrels of gunpowder that had floated to shore. Crusoe gladly took those gifts from his maker and used them to make himself a better world.

A second book gave me a deeper insight into how technology drives survival and vice versa. I was 18 years old and stood in line at my high school graduation in the small Kansas farm town of Lansing. My physics teacher came up and shook my hand and gave me a book as a graduation gift. He was an Army colonel at nearby Fort Leavenworth. He came to our high school as a type of pro bono effort to teach just one physics class of seven students. The book was Carl Sagan's *The Dragons of Eden*. It went on to win the Pulitzer Prize in 1978 but was out of step with a Bible Belt farm town with a posted population of little over 4,000 persons.

Sagan's book showed how the ancient battle between the reptiles and mammals has shaped our brains. Dreaming often involves our reptile-like midbrain. Most of us fear touching a harmless black garter snake more than we fear touching the more dangerous rabbit or raccoon. Brains house their evolutionary history in their present structure and function.

Sagan also made a conjecture that forced me to think about just how much of personal and social behavior stems from genes. You sometimes flinch yourself awake just as you fall asleep. Sagan suggested that this was a reflex that helped keep our hominid ancestors from falling out of their trees at night. The reptiles or "dragons" down below ate those great-grandparents who did not have the reflex or who had it and still fell. This book put me on a path that led me in time to write the text *Neural Networks and Fuzzy Systems* on the mathematical structure of the brain.

The book also led me in time to test one of its ideas on my newborn daughter just minutes after she emerged from a C-section birth. I held my swaddled daughter as all proud fathers do. Soon I could not resist touching the side of my forefinger to her small bare foot. Sagan was right. Her foot clutched at my finger just as a young monkey's paw would clutch at a tree branch.

Arthur C. Clarke showed where survival and technology could end in his 1956 novel *The City and The Stars*. A billion years have passed. Earth's mountains have crumbled and its seas have dried up. Humans have been to the stars and come back. They have lived now for eons in a huge city under the control of an omnipotent but benign central computer.

Humans have lost their teeth and nails in this dull steady state. They have lost much of the hominid within them—and with it their thirst for change and adventure. Hope comes only from the

rare loner who challenges the system with no chance of changing it.

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Brink Lindsey

A sustained, focused, and intricately integrated creative outburst has redefined the pace and possibilities of human existence in ways previously only dreamed about. Life dominated by natural rhythms and limits has given way to life mediated and liberated by artifacts.

The capacity to produce technology—to remake the world around us in the image of our thoughts—is a basic aspect of human nature. It is as old as our first ancestors, who chipped stone axes 2 million years ago: We have named them *homo habilis*—"handy man"—because of their toolmaking.

In the past century or so, however, this capacity has achieved an entirely new potency. A sustained, focused, and intricately integrated creative outburst on the part of millions of people has redefined the pace and possibilities of human existence in ways previously only dreamed about. Life dominated by natural rhythms and limits has given way to life mediated and liberated by artifacts.

This transformation, still unfolding, is one of the greatest quantum leaps in human development. But of course technology cannot be disentangled from the rest of human nature, and all its frailties and contradictions. And so the process of building this new, man-made world has been an exceedingly messy one—fluky and unpredictable, often tragic and misunderstood.

In this regard, it is humbling to realize this great release of creative energies was made possible by violence and predation. Yet through history, warfare has done as much as anything to drive technological development. William McNeill's fascinating *The Pursuit of Power* (1982) tells of the unique contributions made by the intense but inconclusive military competition that roiled medieval and modern Europe. Incessant conflict accelerated the pace of innovation directly, but the indirect effects were even more momentous. By combining domestic order with international anarchy, the fractured political landscape of Europe created spaces within which commerce could develop and flourish. The addition of profit motive to plunder motive gave technological growth an unstoppable momentum.

The resulting Industrial Revolution created unprecedented wealth and opened broad new avenues for creativity and achievement. But its promise was perverted by two grievous misconceptions widely shared among its implementers and champions: first, a belief that the logic of industrial development required ever more centralized control on ever more massive scales; and second, a withering reductionism that rejected as irrelevant or even valueless anything that is not measurable and concretely utilitarian. These two ways of thinking combined in powerfully destructive cultural and political movements that sought to bring mankind down to the level of the clanking, soulless machines it had constructed. These movements—which can be summed up with the terms "technocracy" and "social engineering," and which can be seen as a kind of Industrial Counterrevolution—inflicted deadening bureaucracy at their best, totalitarian horror at their worst.

The misbegotten ideal of technocracy was brilliantly satirized in Yevgeny Zamyatin's *We*, written in 1920–21, just as the Soviet Union was being established as its purest historical incarnation. The book is set in a dystopia of the far future, where in a city cordoned off from lush, unruly nature by the "Green Wall," humanity has been brought nearly to mechanistic perfection. "Numbers," as people are known in the "One State," live in glass apartments, so that all actions are visible to the ever present but unidentified "Guardians." A "Table of Hours" prescribes every action of every day, down to 50 chews per bite at mealtime, masticated in unison by all the numbers in the One State. (Interestingly, the "ancient" identified as the chief prophet of the One State is not Karl Marx, but Frederick Winslow Taylor, the father of "scientific management" and, incidentally, no small influence on Lenin.)

In Zamyatin's fiction, the parts of human nature suppressed by the One State—the spontaneous and unpredictable, the imaginative, the biological—are not eliminated: They persist outside the Green Wall, and are cherished by dissidents within who plot the tyranny's overthrow. Zamyatin's slender hope has been fulfilled in our generation, as the technocratic ideal has suffered stunning reverses—from the collapse of the Soviet Union to the restructuring of corporate bureaucracies.

Here again, however, things are messy: The abuses of the social engineers have helped to strengthen the case of Luddite reactionaries who despise and fear the man-made world. What has happened, then, is that much of the intellectual critique of technocracy has been of the baby-and-bathwater variety. Both sides have shared a common false premise: that technology is dehumanizing. The technocrats reject humanity; the Luddites reject technology.

Where to go from here? Fortunately, a body of thought that transcends this false dichotomy has been developing in recent years. The new sciences of chaos and complexity focus on the general capacity—in material objects, living creatures, and human institutions—for spontaneous order: complex behavior that is not the product of any central design, and cannot be reduced to the sum of the parts. While there are many excellent books that provide the general reader an overview of this new thinking, let me recommend Louise Young's *The Unfinished Universe* (1986). Young offers a lyrical vision of the universe's unfolding

complexification—from physical order to chemistry, then biology, and then mind and culture.

This new way of understanding the world—non-mechanistic, non-reductionist—reconnects the technological and biological by showing that both are manifestations of spontaneous order. In this way, it can support a new kind of idealism about technology's possibilities. The ongoing creation of a man-made world can be seen, in this view, as part of the larger aspiration of mankind's continuing complexification: the development, through free institutions, of the best of human nature in all its variety and richness.

Every boy knows what it's like to stare wide-eyed at a fire engine or a fighter jet. This is what has moved men to make bigger and more majestic bridges, buildings, and then machines. That sheer glory of force, of size and power and muscularity is what made the film *Top Gun* such a hit.

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David Link

I begin with "The Dynamo and the Virgin," a chapter from *The Education of Henry Adams* (1905). In it, Henry Adams visits the Great Exposition of 1900 and, viewing the incredible, towering power sources on display, begins to contemplate the awesomeness of the developing technologies. The only precedent he can think of is the inspiring and miraculous power the Virgin held in the history of art.

Adams was on to something about why technology has been so compelling in the 20th century. Men are every bit as moved by the might of the machines they can build as they are in thrall to the power of sexual beauty. Every little boy knows what it's like to stare wide-eyed at a fire engine or a fighter jet or a bulldozer. This is a large part of what has moved men to make bigger and more majestic bridges, buildings, and then machines. That sheer glory of force, of size and power and muscularity, is a large part of what made the film *Top Gun* such a hit. Sure, there was a perfunctory love story in the movie, but what it's about, what you can't forget, is the roar of those jets, the fire and the blaring sound of them, and the thrill and fun the pilots have in actually being in charge of all that force.

As our control over technology developed, though, a necessary and inevitable lesson accompanied our progress: humility. The second book on my list is Walter Lord's *A Night to Remember* (1956), on which the 1958 film was based. The story of the sinking of the *Titanic* is the stuff of pure myth—if it had not actually happened, someone would have had to make it up. The sinking of the *Titanic* is most useful as a story about hubris. Our technology is the manifestation of our dreams, and nothing in the story suggests we should stop trying to make our marvelous, outsized visions real. On the other hand, we ought to keep in mind that while we are godlike, we are not gods. Glorious luxury liners are well worth the effort and the cost, but that's no reason not to have enough lifeboats on board.

My third choice is *The Dancing Wu Li Masters* (1979), by Gary Zukav. The goal of the book was to make the obscure field of quantum mechanics comprehensible to non-scientists, and, surprisingly, it succeeds in illuminating what the attraction of all that heady stuff is. Like Adams, these men (and they're pretty much all men) experience real awe, this time around, not at size and force, but at the enigmatic elegance of the physical world. *The Dancing Wu Li Masters* helps explain why modern scientists are driven to explore particles so infinitesimally small that they are (sometimes quite literally) nothing but ideas.

This move from Adams to Zukav is summed up in Stanley Kubrick's *2001: A Space Odyssey*. The film begins with man's fascination with the first tool; in one brilliant edit it moves dazzlingly to the end of our century, where the idea and execution of tools has been all but perfected. What is left is the realm of pure mystery. Which, in a way, brings everything back to where Adams found it in 1900—the point of wonder.

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Paul Lukas

Most of us tend to think of technology in terms of the macro rather than the micro. I refer here not to sheer physical size—surely Silicon Valley has taught us that the mightiest technological achievements can come in the tiniest of processing chips. I refer instead to our notions of technological complexity and, especially, technological power, whether measured in horsepower, kilowatts, megatons, or gigabytes. For the most part, our cultural mindset goes, bigger is better and biggest is best.

But technological power, not to mention technological utility, comes in many sizes. For every supercomputer, digital camera, and electronics laboratory, there's a host of products that may seem far more mundane yet are no less remarkable: office supplies, kitchen gadgets, canned goods, children's toys. Don't mistake these items' ubiquity for technological simplicity. Our tendency to take them for granted is in fact a testament to an immensely sophisticated production system, a system so vast and efficient that it can provide these things without most of us even stopping to ponder how it all gets accomplished. The mechanical engineering and industrial design processes that produce these items may be less glamorous than, say, software design, but they're no less important or impressive. Think of them collectively as *inconspicuous technology*.

There are a number of books that focus on inconspicuous technology. One of the best is Henry Petroski's *The Evolution of Use-*

ful Things (1992), a loving examination of such minor miracles as paper clips, tin cans, pins and needles, nuts and bolts, silverware, adhesive tape, pull tabs, and the like. You don't need to be a minutiae fetishist to appreciate Petroski's examination of the subtler aspects of our everyday world, and you don't need to be an engineer to understand his prose. (The book also devotes several pages to a discussion of the zipper, which is itself the subject of an excellent book: Robert Friedel's *Zipper: An Exploration in Novelty* [1994]).

Packaging is another key component of inconspicuous technology. Package-design elements like the Coca-Cola wave and the Wrigley's arrow have become subsumed into our collective cultural psyche. For a look at the history of packaging, including an examination of the formidable technological challenges packaging can present and the additional technological innovations it can facilitate, try Thomas Hine's *The Total Package* (1995), which examines everything from milk cartons to cereal boxes and will forever change your perceptions of your local supermarket.

For every supercomputer, digital camera, and electronics laboratory, there are products that may seem far more mundane yet are no less remarkable: office supplies, kitchen gadgets, canned goods, children's toys. Don't mistake these items' ubiquity for technological simplicity.

These books are wonderful and instructive, but they're also a bit scholarly; the best way to appreciate inconspicuous technology is in the context of the real world. Curiously, the best example of this is a work of fiction: Nicholson Baker's *The Mezzanine* (1986), in which the narrator enthusiastically pursues a series of obsessive intellectual tangents on such unlikely subjects as soda straws, men's-room urinals, shoelaces, doorknobs, tear-off perforations, cigarette butts, and vending machines, all in the course of a short escalator ride. To fully appreciate the wonders of the inconspicuous world, in theory *and* practice, start here.

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Henry Petroski

To understand technology fully, it is necessary to understand the nature of engineering. The formulation and solution of technical engineering problems is, of course, at the heart of every technological endeavor, whether it be the design and production of an automobile or the generation and distribution of electricity, but dealing with technical problems within the constraints of the laws of nature is only one aspect of the total engineering enterprise. Real engineering in the real world is inextricably complicated by cultural, social, political, economic, and aesthetic goals that shape and in turn are shaped by the technical objectives.

The full story of just about any ostensibly technical project will illustrate the complex interrelationships among competing goals and constraints that engineers must deal with in the course of producing a technological artifact. Among the best of such stories is that of the building of the Brooklyn Bridge, told by David McCullough in his 1972 book, *The Great Bridge*. The true story of the conception and realization of a bridge that has become a cultural treasure is also the very human story of how John Roebling, his son, Washington Roebling, and his wife, Emily Warren Roebling, dealt with accidents and death, not to mention political corruption and greed, along with the physical and technical challenges of constructing the largest bridge in the world. It is as gripping as any novel.

A more recent book, *The Innovators* (1996), by David P. Billington, tells the stories of engineering pioneers who shaped modern technology and thereby made America modern. Rather than weaving an extended narrative about a single artifact, however, Billington uses famous technological achievements such as the steam engine, the distribution of electricity, the telegraph, and steel making to show how even the most technical aspects of engineering—its equations and formulas—are influenced by such factors as social, economic, and aesthetic considerations. By explaining in simple terms how technical decisions must incorporate a wide range of seemingly nontechnical considerations, Billington's book shows more explicitly than any other the true nature of engineering as a social and cultural, as well as a technical, endeavor.

Engineering is done by engineers, of course, and the 1976 book by Samuel C. Florman, *The Existential Pleasures of Engineering*, has become a classic for understanding the passion and enthusiasm individual engineers can feel for their work and the satisfaction they can experience as they make tangible contributions to society and culture. Florman's book has recently been reissued in a second edition (1994), which includes a new preface and chapters from some of his other books, and it is considered by many to be required reading for those wishing a full understanding of the engineer and engineering in modern society.

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John J. Pitney Jr.

Foundation (1951), by Isaac Asimov: In this classic of science fiction, a "psychohistorian" uses computers and advanced mathematics to predict the decline and fall of the Galactic Empire,

and launches a plan to shorten the coming dark ages. In writing this novel, Asimov assumed that human nature would remain flawed but that technology would evolve to the point of producing accurate forecasts of events centuries in the future. The latter assumption is highly debatable, for as Hayek wrote, the "mind can never foresee its own advance." Asimov was on firmer ground when he included a parable about technological literacy. As the Empire declines, the planet Terminus gains power because its inhabitants are the only ones who still understand nuclear energy. In the surrounding kingdoms, people remember the operating instructions for their nuclear-powered machines, but have long forgotten how the things actually work. Terminus exploits this ignorance by creating a mystical cult around the technology, which allows it to manipulate the kingdoms with spells and sorcery. Remember this part of the novel the next time you read about the state of science education in the public schools.

Nocera's chapter on the Age of Inflation is itself a remarkable piece of technology: It so captures the utter financial panic that hit middle-class America in the late 1970s that it will give you flashbacks. Good reading for GenXers who think economic insecurity began with them.

The Ascent of Man (1973), by Jacob Bronowski: This companion volume to the excellent television series of the 1970s is not your typical coffee-table book. Though highly readable and handsomely illustrated, it also has a strong philosophical viewpoint. The title itself is revealing: The late Bronowski believed that the growth of scientific and technological knowledge did indeed constitute an "ascent." His book celebrates discovery and invention while bemoaning the "loss of nerve" represented by the all-too-frequent mysticism of pop culture. And it powerfully dismisses the widespread notion that technology will turn people into numbers. At one point, we see a photo of Bronowski squatting in a muddy field, and the accompanying text explains: "This is the concentration camp and crematorium at Auschwitz. This is where people were turned into numbers. Into this pond were flushed the ashes of four million people. And that was not done by gas. It was done by arrogance. It was done by dogma. It was done by ignorance."

See How They Ran: The Changing Role of the Presidential Candidate (1991), by Gil Troy: This volume may seem an odd choice in this context, but it is filled with wise observations about the ways in which technology has changed (and has failed to change) the relationship between voters and candidates. During the 1850s, for instance, rail travel and telegraphy allowed candidates to reach more people than ever before, thus allowing a hitherto obscure Illinois lawyer named Abraham Lincoln to become a national figure. Since then, technology has continued to expand the potential for public conversation on campaign issues. But the realization of that potential hinges on the substantive content of the campaigns, which is something that technology itself cannot determine.

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Virginia I. Postrel

One of the pleasures of editing a magazine is bringing together fine, insightful writers whose work enriches and extends your own ideas. On the subject of our relation with technology, then, it's no surprise that my touchstones include Walt Anderson's *Evolution Isn't What It Used to Be* (1996), Henry Petroski's *The Evolution of Useful Things* (1992), and Fred Turner's *Tempest, Flute, and Oz* (1991)—very different books, all important and well written, all ably represented by the presence of their authors in these pages. So, invoking another editor's pleasure, I can pick three *other* books.

Few writers better explore the tensions among technological innovation, scientific evolution, and politics than physicist Freeman Dyson. And few writers more appreciate the ecologies of human societies, with their complex dynamics, odd feedback effects, and occasional paradoxes. In *From Eros to Gaia* (1992), Dyson collects some of his finest essays, including the priceless "Six Cautionary Tales for Scientists," originally written in 1988. It contrasts the small-scale, unglamorous, and effective Plan A approach to technical problems with the politically successful Plan B—and finds the same patterns in the First, Second, and Third Worlds. The essay should be required reading for all science policy makers.

"Technology" means not only gadgets or computers but any embodied knowledge, including business systems. Both sorts of technology combine in Joseph Nocera's *A Piece of the Action: How the Middle Class Joined the Money Class* (1994), which tells the story of how bank credit cards and money market funds made credit and investment mass, middle-class products. Since these instruments work only because they are, in Paul Lukas's phrase, "inconspicuous technologies," we never appreciate the absolute genius, pigheaded determination, computer power, and sometimes disastrous experiments that building such systems required. Nocera is a terrific storyteller, and he has a fascinating story to tell. Plus his chapter on the Age of Inflation is itself a remarkable piece of technology: It so captures the utter, spiraling financial panic that hit middle-class America in the late 1970s that it will give you flashbacks. Good reading, too, for GenXers who think economic insecurity began with them.

Following my own instructions, I end with a novel or, rather, a series of novels. It's been 25 years since I read Laura Ingalls Wilder's *Little House* books, but they left some indelible technological images: the joys of a father's fiddle playing, the advantages of blindness (you can sew when it gets dark), the preservation and uses of a slaughtered hog, the economic triumph represented by glass window panes. Ghostwritten by Wilder's daughter, the important libertarian intellectual Rose Wilder Lane, the

Little House books remind us of both the value of old technologies in their time and the wonders of newer ones in ours.

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Adam Clayton Powell III

The future is always with us, in some form or outline, so wherever technology is taking us, the clues are already here. Each of these books informs us in its own way to look for hints of the future in what is already around us.

To a man with a hammer, goes the expression, the world appears a nail. And so to Andrew Grove—the president of Intel, the world's most successful producer of microprocessors—the world is a universe of hardware and software. However, by remaining so narrow, Grove's *Only the Paranoid Survive* (1996) focuses on exactly the right aperture for a glimpse of the future.

Computer makers are in territory so new and changing so rapidly that they (and we) must plan for a largely unknown and unknowable future, making a path across a trackless land: "It's about finding your way through uncharted territories." Grove insists this unknown territory is suffused with the thrill of the possible—and, too, with the fear that often accompanies the unknown. But he insists that fear can be a force for positive change: "Ideally, the fear of a new environment sneaking up on us should keep us on our toes." (Now we know what to make of the book's title.) Grove provides an analogy of a fire department: Firefighters do not know exactly where the next fire will be, but they can guess a rough total and the historical distribution pattern, so they can plan accordingly.

Grove also notes the fundamental generation gap now forming between most of us industrial-age, analog-era adults and the post-industrial, under-25 digerati who have spent most of their lives learning about the world, playing games, working on homework, and socializing with each other online. Just as their grandparents abandoned afternoon newspapers for television and their parents found generational refuge in FM radio, audience data now show that the computer generation born since 1970 is abandoning print and electronic mass media to embrace the more tailored, more fragmented, computer-based media. This has profound implications for public discourse, which Grove calls "a demographic time bomb ticking away."

The generation born since 1970 is abandoning print and electronic mass media to embrace the more tailored, more fragmented, computer-based media. This has profound implications for public discourse, which Intel's Andrew Grove calls "a demographic time bomb ticking away."

And so with Grove's vision of future media, which may be science fiction to the industrial agers, but to the under-25s, it is just another upgrade—and just a few years away: "Processing power is going to be practically free and practically infinite," said Grove in a September *Newsweek* interview. "This will allow us to turn automatic 3-D photorealistic animation into a ubiquitous reality within two or three years."

Kevin Kelly, executive editor of *Wired* magazine, takes Grove's vision of the future of computers and extrapolates that vision to describe the future of society, with a fundamentally different social contract. He embraces the chaos of ultimate decentralization and individual power, writing a book that in its very title celebrates the complete absence of authority imposed by any central place or person. "There is no central keeper of knowledge in [the Internet], only curators of particular views," writes Kelly in *Out of Control* (1994). So he argues we are moving to a "highly connected yet deeply fragmented society" where "distributed, headless, emergent wholeness becomes the social ideal."

And if that leaves us out on the edge, it may be a challenge for Tom Stoppard's puzzle of a play, *Arcadia* (1993), to take us even further. But further it does, in a work that has nothing to do with computers or microchips but everything to do with research, society, the past, and the future—and also manages to encompass Lord Byron, quantum physics, and trends in British garden design in the late 18th century.

Stoppard presents alternating scenes of today's researchers and the subjects of their research in 1809, and we can see how painstaking care and rigorous procedure lead our present-day characters to exquisitely erroneous conclusions about the past. Amid this lesson in humility is one exclamation that serves as a signpost, an emblem for our sea change to the brave new digital world. The character Valentine, a twentysomething mathematician, is entranced by the possibilities of chaos theory and quantum mechanics, as excited by the fall of the old order as are his real-life twentysomething digerati counterparts.

"The future is disorder," says Valentine. "A door like this has been cracked open five or six times since we got up on our hind legs. It's the best possible time to be alive, when everything you thought you knew is wrong!"

Adam Clayton Powell III (apowell@freedomforum.org) is vice president, technology programs, at The Freedom Forum.

John Tierney

For critics of technology, *The State of Humanity* is a terribly depressing read. The 1995 book, edited by the economist Julian Simon, is a collection of essays and graphs analyzing human welfare over the past few millennia. The trends are just about all positive: Humans are enjoying longer, healthier, wealthier, and freer lives in a world with less pollution and more plentiful resources. The reason for all this good news, of course, is technol-

ogy. Doomsayers claim to be taking the long view of technology and its problems, but how can they ignore evidence like this?

The answer to that question can be found in William Tucker's book, *Progress and Privilege: America in the Age of Environmentalism*. This 1982 work (Tucker had the misfortune of being too far ahead of his time to sell many books) anticipates the neo-Luddites and environmentalists of the 1990s. As Tucker shows, today's critics of technology—including the ones who think they're progressives fighting to help the poor—are part of an elitist, conservative tradition. Aristocrats, clerics, and intellectuals have always come up with creative reasons for opposing any technological change that threatens their comfortable status or interferes with their determination to write the rules for everyone else. Tucker offers lovely analyses of our current environmental "crises." Consider his explanation for the angst over population growth in the Third World: "There have been two lines of demagogic argument that have always gone down well in history. The first is to tell the poor that the rich have too much money. The second is to tell the rich that there are too many poor people."

If these books haven't persuaded you to ignore the Luddites and Malthusians, try a work of inadvertent fiction by an ornithologist named William Vogt: *Road to Survival*. It preaches against technological innovators—"the freebooting, rugged individualist" must be recognized as "the Enemy of the People"—and warns of pending famine and poverty due to pollution, overpopulation, vanishing topsoil, depleted stores of natural resources, and various environmental catastrophes. It reads exactly like a tract from Bill McKibben or the Worldwatch Institute. But this book was published in 1948—and the doomsday predictions were being made about the United States. Reading it will make you laugh, restore your faith in modern technology, and free you from any temptation to take the doomsters seriously.

John Tierney is a staff writer for The New York Times Magazine.

Stephenson, despite his countercultural roots, has perceived, correctly in my view, that the masters and mistresses of a future technological age will be people with solid family backgrounds, personal honor, and discipline, the new Victorians or "Vickies" as he calls them.

Frederick Turner

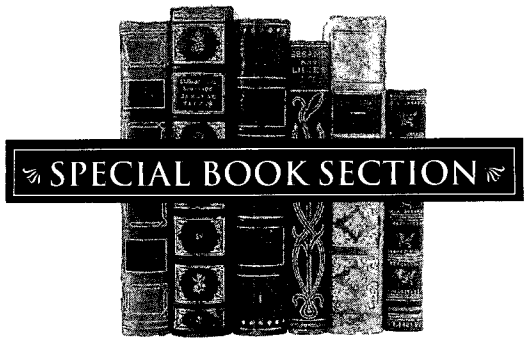
In some ways the most interesting book on the relationship between humans and our technology that I have read recently is William R. Jordan III's remarkable work *The Sunflower Forest*, but it is as yet unpublished (smart publishers, take note). Jordan is a curator at the University of Wisconsin, Madison, Arboretum, and his book is a searching analysis of the way in which our Cartesian and Puritan heritage has led us to divide humans from the rest of nature and thus, finally, to the view espoused by the likes of Bill McKibben, in which nature is by definition what is untouched by human hand, and humanity is a blight and cancer upon nature. Jordan presents an alternative view, in which the human appetite for ritual, myth, play, and gardening can actually improve the richness of the earth's living ecosystem, with beneficial economic results and without governmental invasion. We shall trade with the rest of nature, he believes, to our mutual benefit, thought as an extension of biological evolution.

But since the book is unpublished, I cannot make it one of my three. A science fiction work, Neal Stephenson's *The Diamond Age* (1995), set in industrial China a hundred years hence, is a marvelous fountain of ideas about the human technological future. It is, like some recent works of Greg Bear and Gregory Benford, a convincing vision of a nanotechnological age (nano-engineered diamond has become the most popular building material in Stephenson's future). What is especially provocative about it is that Stephenson, despite his countercultural roots, has perceived, correctly in my view, that the masters and mistresses of a future technological age will be people with solid family backgrounds, personal honor, and discipline, the new Victorians or "Vickies" as he calls them. As the subtitle of his book, *A Young Lady's Illustrated Primer*, suggests, however, a sufficiently sophisticated and artistic piece of educational software, based on storytelling, might serve as a substitute family. But the point is that chemical technology is more potent than our present physics-based technology, biotechnology more potent than chemical technology, and nanotechnology is the most potent of all, exerting the greatest leverage upon the physical world.

My second bona fide book is Homer's *Odyssey*. This poem is among other things a good introduction to the brilliant simplicity of ancient Greek technology, and an exemplary demonstration of what constitutes user-friendliness in both software and hardware. Homer shows us how a bow, a door, a garden, a ship, a narrative verse tradition, an olive grove, an adze, a polytheism, a viticulture can work together to the enrichment of the world.

My last book is Martyn Fogg's *Terraforming* (1995), the current bible of those who believe we must begin to become a spacefaring civilization. He makes a compelling argument that we can colonize Mars using contemporary technology, and that we should do so. Reading Fogg, who is the president of the British Interplanetary Society, one feels a blush of shame at the pusillanimity and malingering of our times, the most prosperous in history, and of our generation, which would rather bicker over nasty little social prizes and slights than take up once again the heroic mantle of our destiny.

Frederick Turner is a poet, a theorist of the links between the sciences and the humanities, and Founders Professor of the Arts and Humanities at the University of Texas at Dallas. His most recent books include April Wind *(University Press of Virginia) and* The Culture of Hope *(The Free Press).*



Actual Knowledge

By Jacob Sullum

The Cigarette Papers, by Stanton A. Glantz, John Slade, Lisa A. Bero, Peter Hanauer, and Deborah E. Barnes, Berkeley: University of California Press, 539 pages, $29.95

Smokescreen: The Truth Behind the Tobacco Industry Cover-Up, by Philip J. Hilts, Reading, Mass.: Addison-Wesley, 253 pages, $22.00

Ashes to Ashes: America's Hundred-Year Cigarette War, the Public Health, and the Unabashed Triumph of Philip Morris, by Richard Kluger, New York: Alfred A. Knopf, 807 pages, $35.00

In August 1970 a leading tobacco defense attorney, David R. Hardy, wrote a confidential letter warning that indiscreet comments by industry scientists, including references to "biologically active" components of cigarette smoke and "the search for a safer cigarette," "constitute a real threat to the continued success in the defense of smoking and health litigation. Of course, we would make every effort to 'explain' such statements if we were confronted with them during a trial, but I seriously doubt that the average juror would follow or accept the subtle distinctions and explanations we would be forced to urge." Such remarks by employees, Hardy explained, would suggest "actual knowledge on the part of the defendant that smoking is generally dangerous to health, that certain ingredients are dangerous to health and should be removed, or that smoking causes a particular disease. This would not only be evidence that would substantially prove a case against the defendant company for compensatory damages, but could be considered as evidence of willfulness or recklessness sufficient to support a claim for punitive damages."

CHIP BOK

The letter was among the Brown & Williamson documents leaked to anti-smoking activist Stanton A. Glantz and *New York Times* reporter Philip J. Hilts in 1994. It nicely summarizes the quandary of the cigarette companies, which developed largely because of their own dishonesty and continues to this day. In the 1950s, responding to the first widely publicized studies finding a link between smoking and lung cancer, the industry adopted a skeptical posture that was initially reasonable but has long since become a joke. It created the Tobacco Industry Research Council, later renamed the Council for Tobacco Research, supposedly to fund studies examining "all phases of tobacco use and health." Although some CTR-funded researchers produced further evidence of tobacco's hazards, most worked in areas far afield from the CTR's ostensible focus, while certain

"special projects" were deliberately selected to cast doubt on the connection between smoking and disease. The CTR helped maintain the pretense that more research was needed—always and forever. The industry's strategy, as Tobacco Institute Vice President Fred Panzer put it in a 1972 memo, was "creating doubt about the health charge without actually denying it." Company officials steadfastly maintained that the case against smoking was not conclusive, and it soon became clear that no amount of evidence would sway them from that position.

In adopting this strategy, the cigarette companies hoped to prevent a decline in sales, discourage government regulation, and avoid potentially ruinous product liability. As the evidence about the health hazards of smoking accumulated, and especially after the 1964 surgeon general's report, liability protection—avoiding the appearance of "actual knowledge"—eclipsed the other concerns. True, the cigarette companies continued to aim propaganda about "the smoking and health controversy" at the general public. *The Cigarette Papers*, a guide to the juiciest Brown & Williamson documents assembled by Glantz and four co-authors, describes plans in 1969 for a public relations campaign intended to "set aside in the minds of millions the false conviction that cigarette smoking causes lung cancer and other diseases." As late as 1985, R.J. Reynolds ran misleading ads suggesting that a large epidemiological study had not found evidence of a link between smoking and heart disease. But in a culture saturated with warnings about the hazards of smoking, from school curricula to the surgeon general's messages on every pack of cigarettes, few people were buying the industry's wait-and-see line.

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It nevertheless remained true that conceding a causal link between smoking and disease would make it easier for tobacco plaintiffs to prevail in court. Furthermore, as Hardy noted in 1970, a sudden reversal of the industry's long-standing position would invite punitive damages based on charges of deliberate wrongdoing. The tobacco companies have always feared (and their opponents have always hoped) that one successful suit would lead to a flood of litigation, sweeping the industry away. Nowadays that fear seems more realistic than ever, given the hundreds of pending state lawsuits, secondhand smoke claims, class actions, and cases filed by individual smokers. In August, a Florida jury told Brown & Williamson to pay Grady Carter, a former smoker with lung cancer, $500,000 in damages, plus $250,000 to his wife. If upheld, this would be the first-ever award to a smoker for tobacco-related disease. In these circumstances—and despite the Liggett Group's settlement of several state lawsuits and the now-defunct *Castano* class action—the tobacco companies are more determined than ever not to yield an inch.

As these three books show, the industry's defense strategy has produced several paradoxes. Industry lawyers simultaneously argue that the hazards of smoking have never been proven (casting doubt on the link between cigarettes and the plaintiff's illness) *and* that everyone knows smoking is bad for you (showing that the plaintiff voluntarily assumed the risk). Cigarette manufacturers insisted they were not acknowledging the hazards of smoking even as they responded to health concerns by introducing brands with filters and lower tar yields. Until the late 1980s, despite much research on the issue, tobacco companies declined to market cigarette designs that promised substantial safety improvements, apparently fearing that such innovations would impugn conventional cigarettes by implication and expose them to liability. Now attorneys suing the tobacco companies (including Grady Carter's lawyer) cite the failure to market safer cigarettes as evidence of negligence. Similarly, the industry's see-no-evil attitude, which was supposed to protect it from liability, has prompted charges of a conspiracy to deceive the public—a central theory in most of the current lawsuits.

It is also the central thesis of both *The Cigarette Papers* and Hilts's *Smokescreen*. The jacket of Glantz et al.'s book promises "a shocking inside account" that will "fundamentally change the public's perception of the industry." How, exactly, isn't clear. It's not as if the tobacco companies, commonly viewed as sneaky, slimy, and sinister, have been getting a free ride until now. The book does offer many interesting and often amusing contrasts between public and private statements by industry officials. It also brings out the tension between those who favored a more candid approach (usually scientists) and those who insisted that the industry dared not concede anything that might be useful to the enemy (usually lawyers). Had the former group prevailed, the tobacco companies today might not be the most reviled and distrusted industry in

America. But their very reputation suggests that the conspiracy of deception alleged by the lawsuits was not terribly successful. In his foreword to *The Cigarette Papers,* former Surgeon General C. Everett Koop notes that "the public knows about the deleterious effects of smoking," and "[e]ven smokers do not believe what they hear from the tobacco industry." Nevertheless, he says, "smokers and nonsmokers alike should feel misled by the tobacco companies and their deceptive practices." Got that? They should *feel* misled, even if they weren't.

The cigarette industry's defense strategy has produced several paradoxes. Industry lawyers simultaneously argue that the hazards of smoking have never been proven (casting doubt on the link between cigarettes and the plaintiff's illness) *and* that everyone knows smoking is bad for you (showing that the plaintiff voluntarily assumed the risk).

Similarly, the subtitle of Hilts's book promises "The Truth Behind the Tobacco Industry Cover-Up," which is basically this: When they claimed to believe that smoking may not cause lung cancer, or that nicotine isn't addictive, they didn't really mean it. This "exposé," the jacket says, is a "shocking, fascinating, and infuriating page-turner" that will "make your blood boil." That may be true, but only if you shell out 22 bucks for this over-hyped book, instead of getting a free review copy like I did. It's not that Hilts offers nothing useful or interesting (although there is little here that you can't get from the other two books); it's just that readers expecting startling disclosures will instead find details about something they already know. Tobacco industry dishonesty is a cliché, not a revelation.

In other words: *Duh.* Both Glantz and Hilts anticipated this objection. "The thing that shocked me was that it was all there," Glantz told *The Chronicle of Higher Education* in April. "It's a little bit like knowing your wife is sleeping with someone else, versus walking in and catching them. Anybody who follows the tobacco issue, and who's thought about it, just assumed the tobacco companies knew all this stuff —that the tobacco companies had a better understanding of nicotine addiction than anybody else, that they knew smoking caused cancer and heart disease—because they had to. I mean, they're not stupid. But to see it all spelled out in their own words is amazing."

In a much cited 1963 memo, for example, Addison Yeaman, then Brown & Williamson's vice president and general counsel, stated flatly that "nicotine is addictive. We are, then, in the business of selling nicotine, an addictive drug effective in the release of stress mechanisms." The minutes from a 1978 research conference sponsored by BAT, Brown & Williamson's parent company, said, "There has been no change in the scientific basis for the case against smoking. Additional evidence of smoke-dose related incidence of some diseases associated with smoking has been published. But generally this has long ceased to be an area for scientific controversy." Unlike many of the indiscretions cited by Glantz et al., which could be explained away (though not very convincingly) by creative lawyers, such statements directly contradict the industry's public positions. The amazing thing, though, is not so much the content of the statements as the fact that they were committed to paper and preserved.

Hilts, for his part, attributes doubts about the significance of the tobacco industry cover-up to the conspirators themselves: "But everyone knows what the situation is anyway, they say. It's not as if anyone were actually deceived by the company comments on addiction or the waffling on the hazards of smoke. We only have to speak that way because of what we'll be forced to do in court if we are too open in front of the enemy." Then he goes on, for several paragraphs, to compare people who say such things to "the guards and doctors in the Nazi death camps." Later he concedes that tobacco companies "don't want to be blown all over the landscape by the legal actions of angry smokers when they do admit what they have been doing," and "[t]he fear is understandable." Nevertheless, he insists, "it should be required that the companies come clean."

Hilts's commitment to honesty is admirable. I wish he honored it a bit more consistently. Here is what he has to say about me, in a section on secondhand smoke: "They [tobacco companies] paid writers to get stories out attacking the science and the scientists. In one series of ads, a piece by Jacob Sullum, who works for a foundation supported by tobacco, was run whole. In other ads, it was excerpted with the headline, 'If we said it, you might not believe it.' But of course, they did say it. Sullum not only works for a tobacco supported foundation, but was paid directly by the company when they used his story. And, more to the point, his arguments came from industry sources and articles...."

Glantz et al. make a similar effort to discredit me. First they recount a notorious episode from the late 1960s: A public relations agent working for Brown & Williamson paid a sports writer, Stanley Frank, to produce an article criticizing the evidence on smoking and health. The Tobacco Institute, through a P.R. firm, ran an ad promoting the article, which appeared in the January 1968 issue of *True*

magazine, and distributed reprints of the piece. Immediately after relating this story, under the heading, "USING THE SAME TECHNIQUE IN THE 1990s," Glantz et al. note that two of my articles have been reprinted in tobacco company ads.

Here's what actually happened: In 1994 I wrote an op-ed piece for *The Wall Street Journal* about the Environmental Protection Agency's report on secondhand smoke. R. J. Reynolds subsequently used the piece in an ad campaign and paid me for the reprint rights. I also wrote an article about press coverage of the secondhand smoke issue, which appeared in the Summer 1994 issue of *Forbes MediaCritic*. Philip Morris reprinted that article in a series of ads. I did not give the company permission to do so (*MediaCritic* had all rights to the article), and I was not paid. *Pace* Hilts, neither piece "attack[ed] ...scientists," and neither quoted or cited "industry sources and articles." The critics of the EPA report on whom I relied are respected scientists who agree that smoking is hazardous but emphasize that the evidence against secondhand smoke is much less convincing.

In addition to suggesting that I am a tobacco industry flack, Hilts and Glantz et al. insinuate that the Reason Foundation, which publishes this magazine, is some kind of front group for the cigarette companies. Hilts alludes to, and Glantz et al. explicitly mention, donations from Philip Morris—which last year amounted to less than 1 percent of the foundation's budget. To anyone familiar with the foundation or the magazine, the idea that we adopt whatever positions we think will please our donors is more than a little silly. But Hilts neither names the foundation nor mentions the magazine; indeed, from his description you would not even know my occupation. This is like identifying Hilts, not as a reporter for *The New York Times*, but as an employee of a company supported by anti-smoking groups (which take out ads in the *Times*). Not exactly false, but pretty misleading—just the sort of thing for which he faults the tobacco industry.

Stanton Glantz: He highlights the tensions between tobacco company scientists and attorneys but his conspiracy theories ring hollow.

Hilts also neglects to mention that the *MediaCritic* article reprinted by Philip Morris criticizes him by name for sloppy reporting on the secondhand smoke issue. He has never, to my knowledge, answered that criticism, and his book actually repeats one of the mistakes (by another reporter) that I cited in my article. In 1994, he notes, Philip Morris ran an ad that said: "A large U.S. study published in the *American Journal of Public Health* found no overall statistically significant link between second-hand smoke and lung cancer. Why did the EPA not include this study?" Hilts says "[t]he study, in fact, supported the EPA conclusion," and "[i]t would be difficult to imagine advertising that is more deceitful." He quotes the following comment from the researchers: "In summary, our study and others conducted during the past decade suggest a small but consistent elevation in the risk of lung cancer in nonsmokers due to passive smoking. The proliferation of federal, state and local regulations that restrict smoking in public places is well founded." That is indeed what the researchers said, but the issue is what their data showed. Not only did the study fail to find a statistically significant overall relationship between lung cancer and exposure to sec-

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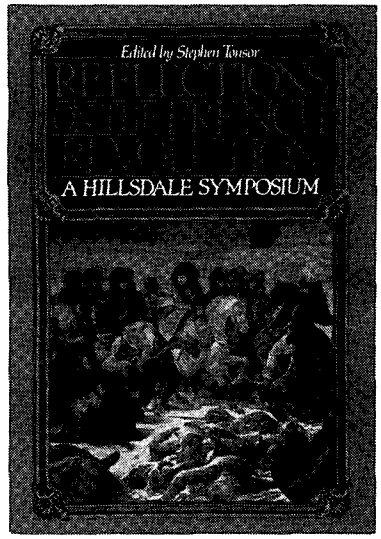

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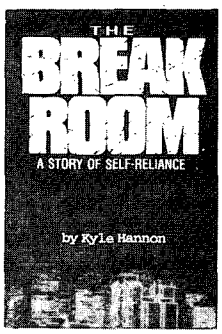

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ondhand smoke in childhood or adulthood, but almost none of the subgroup results were significant either. Given the large size of the sample, it is reasonable to think that including these data would have had a noticeable impact on the EPA's calculations.

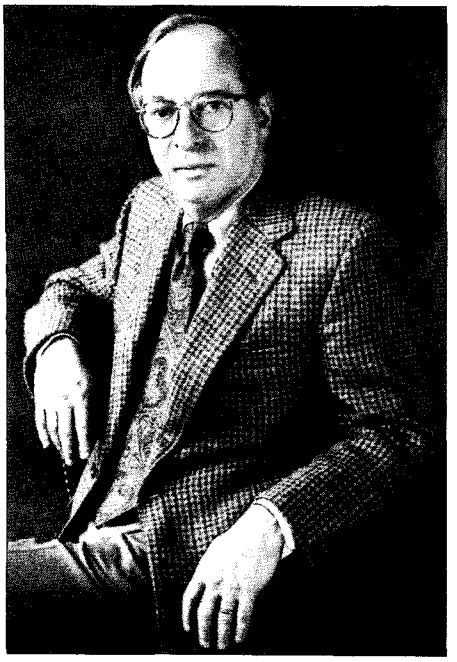
The basic syllogism on which Hilts and many of his fellow journalists rely when they write about secondhand smoke goes something like this: The tobacco companies are lying when they say the evidence against smoking is not conclusive, so they must be lying when they say the evidence against secondhand smoke is not conclusive. Hilts calls the industry's criticism of the claim that secondhand smoke kills "almost a motion-by-motion replay of 1953 and 1954, when the industry had to begin its campaign of denying that smoking itself causes disease." This facile analogy is convenient, since it means you don't have to look at the evidence very carefully. You can simply dismiss skeptics as tools of the industry. Yet Hilts himself, though persuaded that secondhand smoke causes lung cancer, writes that "the data assessing...other illnesses has not been collected in large enough samples yet." He seems to be saying the evidence is not conclusive. He sounds just like the tobacco companies!

The basic syllogism on which Hilts and many of his fellow journalists rely when they write about secondhand smoke goes something like this: The tobacco companies are lying when they say the evidence against smoking is not conclusive, so they must be lying when they say the evidence against secondhand smoke is not conclusive.

Unlike Hilts, Richard Kluger does not fall into the trap of assuming that, whatever the tobacco companies say, the opposite must be the truth. Kluger is highly critical of the industry's posture vis-à-vis the health effects of smoking—especially the decision to actively criticize the research, instead of simply remaining silent. But he recognizes that public health officials and anti-smoking activists, in their eagerness to discourage smoking by making it inconvenient and socially unacceptable, have exaggerated both the strength of the evidence against secondhand smoke and the magnitude of the risks involved. "[T]he government's agencies," he writes, "seemed nearly as capable in this instance of blowing smoke at the public to cloud the scarcity of cold, clinical science in support of the indictment of ETS as a substantial public health risk as the cigarette companies had habitually been in denying and distorting the overwhelming scientific case against direct use of their product." Furthermore, "by stressing the risk of ETS exposure, the smoking control movement was effectively trivializing the risk from direct smoking, which was thirty to forty times greater. It was an incendiary, effective, but questionable tactic for those on the side of the angels."

As that observation suggests, Kluger is basically sympathetic to the anti-smoking movement but prepared to criticize its errors and excesses. He takes a much broader and longer view than either Hilts or Glantz et al., and the result is far more nuanced and evenhanded. Kluger spent six and a half years on *Ashes to Ashes*, interviewing hundreds of sources and absorbing a huge amount of material from scientific studies, books, and press reports. He says his task was "to try to suspend moral judgment as long as possible in sifting through this immense and untidy collection of materials in order to craft a coherent social narrative about an industry that was, after all, a thriving enterprise well before a conclusive scientific consensus on the hazards of its products was achieved. My intent throughout has been to bring an unpremeditated approach to a subject that has historically generated more heat than light." In this respect he is remarkably successful, telling the story of the American tobacco industry not as a morality play but as a complex drama full of ambiguous characters and fascinating detail. Kluger's account is stylish, witty, and engaging—an impressive accomplishment given the amount of information he has managed to include. Although his eventual judgment of the industry is harsh, he cannot hide his appreciation for the entrepreneurial talents of the men who built it.

"The question," Kluger writes in his foreword, "is whether cigarette merchants are businessmen basically like any other, selling a product judged to be hazardous long after its usefulness to millions was well established, and are now sorely abused by 'health fascists' and moralizing busybodies, or are they moral lepers preying on the ignorant, the miserable, the emotionally vulnerable, and the genetically susceptible?" To his credit, he never explicitly answers that question—his book is too subtle for that—but he clearly leans toward the latter description. Kluger's prejudices are those of a conventional left-liberal: He is more wary of corporations than the state; he exaggerates the power of advertising; and he never doubts the government's authority to promote "public health" by discouraging risky behavior. But despite his unexamined premises, he is refreshingly fair-minded, willing to question the dogma of the anti-smoking movement. He is skeptical, for example, of the claim that smokers impose costs "on society" that should be recouped through higher excise taxes. Of the state lawsuits seeking compensation for Medicaid costs associated with



Richard Kluger: While never doubting the authority of government to discourage risky behavior, he willingly questions the dogma of the anti-smoking movement.

MARION ETTLINGER

smoking, he asks, "Was this any more reasonable than demanding that automakers and oil companies reimburse the states for their highway maintenance and driving-caused injury cost?"

Kluger's book shows that a knowledge of history is important in evaluating the claims of tobacco's opponents. Take the uproar that began in 1994, when Food and Drug Commissioner David Kessler suddenly discovered that nicotine was an addictive drug and that tobacco companies were *manipulating* it. "That nicotine was the ingredient in tobacco that induced a habitual craving for, dependency upon, or addiction to smoking cigarettes—call it what you will—had been common scientific knowledge for much of the twentieth century," Kluger writes. "That manufacturers had been controlling or manipulating the amount of nicotine their customers ordinarily derived from their cigarettes had been known for forty years, ever since the introduction of filter tips, to students of the subject, and to any portion of the public that thought a moment about it."

Kluger also reminds us that the wonderfully innovative legal arguments that are all the rage nowadays, including the

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cover-up charge, the alternative design claim, and the idea that addiction negates assumption of risk, have been used before without success. In *Cipollone v. Liggett*, filed in 1983, attorney Marc Z. Edell, using hundreds of previously confidential industry documents for support, argued that the tobacco companies had conspired to deceive consumers about the dangers of cigarettes. As a result, Rose Cipollone, who was "severely dependent" on tobacco, was falsely reassured and continued smoking until she got lung cancer. The jurors didn't buy it. They did find that Liggett had not adequately cautioned consumers in the era prior to federally mandated warnings and had in fact breached warranties of safety offered by certain ads. But they deemed Rose Cipollone 80 percent responsible for her disease, since she had chosen to smoke, and therefore did not award any damages in her name. Instead, they gave her husband a sympathy award of $400,000, which was overturned on appeal.

Supporters of tobacco product liability suits argue that the industry's statements make it easier for smokers to continue their habits by offering them rationalizations: Maybe it really isn't that dangerous. Maybe I won't get sick. But it would take a smoker's willing creation of disbelief to escape what has been common knowledge for decades: that smoking is dangerous and hard to give up.

The recent award to Grady Carter, whose attorney submitted some of the Brown & Williamson documents as evidence, may indicate that jurors are now more receptive to the conspiracy theory. After the trial, one of the jurors said, "We wanted to send a message to the tobacco companies: We ain't going to take it no more." In other words: Cut the crap. Juries in many other kinds of cases have been only too willing to give sympathetic plaintiffs money from the deep pockets of big corporations. It's just that smokers trying to blame others for their self-inflicted injuries have not seemed very sympathetic. But then neither have tobacco companies. Since they are viewed in a more sinister light nowadays than ever before, the balance may be shifting.

Whether it should is another matter. Yes, the industry's position on the hazards of smoking has been disingenuous and irresponsible. But does it amount to fraud? The answer is clearer when it comes to early advertising claims. A 1952 Liggett ad cited in *Cipollone*, for example, announced, "Nose, Throat, and Accessory Organs Not Adversely Affected by Smoking Chesterfields." Even at a time when evidence about the health effects of smoking was still emerging, such claims were reckless, and they can reasonably be viewed as guarantees of safety. But after the mid-1950s, the tobacco companies eschewed bold reassurances. Instead of promising safety, they expressed doubts about the hazards of smoking. Except to the extent that they misrepresented their own beliefs—which is the essence of the "cover-up" decried by Hilts and Glantz et al.—what industry spokesmen said was not, by and large, literally false. Indeed, they carefully phrased their statements to avoid direct denial of tobacco's hazards.

More to the point, it is difficult to show that consumers relied on these legalistic evasions in deciding whether to smoke. Supporters of tobacco product liability suits argue that the industry's statements make it easier for smokers to continue their habits by offering them rationalizations: Maybe it really isn't that dangerous. Maybe I won't get sick. But it would take a smoker's willing creation of disbelief to escape what has been common knowledge for decades: that smoking is dangerous and hard to give up. "How, then," wonders Kluger, "to justify a claim that the cigarette makers had massively imposed an intentionally addicting product on an innocent public that had little knowledge or choice in the matter?"

Consider Rose Cipollone. She was exposed to hundreds of articles on the hazards of smoking. Her husband and her children repeatedly urged her to quit. She recalled that in 1964, when the Surgeon General's Advisory Committee concluded that smoking causes lung cancer, "I didn't want to hear it. I liked to smoke. It gave me something to do." Beginning in 1966, every pack she smoked carried a warning from the surgeon general. She acknowledged that she understood the warning meant "smoking was dangerous," though she insisted, "I didn't believe it." She said she felt "that if there was anything that dangerous, that the tobacco people wouldn't allow it and the government wouldn't let them do that." Still, when she developed a "smoker's cough" in the mid-'60s, "I was making novenas, I was so scared that I was getting sick, and I used to make all kinds of promises to God if he didn't let me have cancer, that I wouldn't do this and I wouldn't do that."

At some level, Rose Cipollone clearly knew that smoking was bad for her, though she did not like to think about it. The question is whether the tobacco companies should be held liable for assisting such self-deception. The answer hinges on how strictly we define individual responsibility and, conversely, how broadly we define fraud. One thing seems pretty clear: The tobacco companies didn't fool anyone who didn't want to be fooled. ®

Senior Editor Jacob Sullum (jsullum@aol.com) is writing a book about the anti-smoking movement for The Free Press.

Bye-Bye American Pie

By Nick Gillespie

Works discussed:

Blue Sky Dream: A Memoir of America's Fall from Grace, by David Beers, New York: Doubleday, 273 pages, $23.95

The Tortilla Curtain, by T. Coraghessan Boyle, New York: Penguin, 355 pages, $11.95 paper

Independence Day, by Richard Ford, New York: Vintage, 451 pages, $13.00 paper

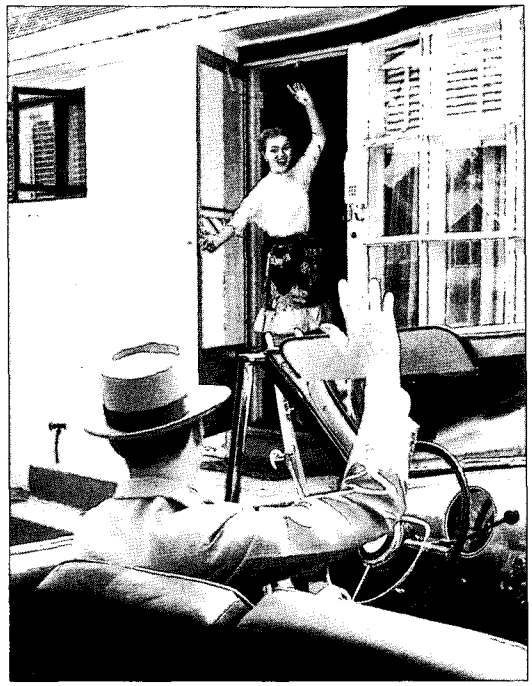
The Low Life, directed by George Hickenlooper

The Ghost of Tom Joad, by Bruce Springsteen, Columbia

The literary critic Lionel Trilling once suggested that novels "deliver the news," that they tell us "about the look and feel of things, how things are done and what things are worth and what they cost and what the odds are." Novels, said Trilling, encode "a culture's hum and buzz of implication"; they record our daily business of living, loving, working, and dying.

The same holds true for other forms of cultural storytelling, including movies, television shows, and pop music. And, of course, the "news" itself, which employs a wide variety of dramatic forms and techniques even as it strives to represent our world in a realistic, accurate way. All these stories deliver the news by giving voice and expression to our dreams and desires, our cares and concerns.

One of the most popular stories circulating today has to do with a variously described "death" of the American Dream, especially in its "middle-class" variation. All the key words of the pronouncement are fuzzy—What exactly is the American Dream? Just who qualifies as middle class?—but there is a palpable sense that we are living in a barren ruin of a country, a Hooverville from sea to shining sea. If we talk about the 1970s as manic-depressive, vacillating between interlaced extremes of personal gratification and national malaise, and the '80s as years of greed and go-getter optimism, the '90s are shaping up to be the decade of gloom and despair.



SUPERSTOCK

Baby boomer writers, directors, and musicians are on a misguided nostalgia kick that threatens to impoverish our cultural imagination.

As we slouch toward the end of the American Century, the question on every storyteller's mind seems to be, to quote a multi-part series in *The Philadelphia Inquirer*, "America: Who Stole the Dream?" This sense of pilfered possibilities has a couple of particularly interesting characteristics. First, it represents a broad nonpartisan consensus that includes young and old, rich and poor, liberals and conservatives. And it almost always interprets the American Dream in starkly economic terms (hence, CNN's recent shows on "downsizing the dream").

So who stole the dream? The answer, at least from an economic perspective, is: no one. In fact, it's a trick question. As *Newsweek*'s Robert J. Samuelson noted in a recent column, "Statistics implying lower living standards are contradicted by what people buy or own. Homeownership (65 percent of households) is near a record. In 1980, 11 percent of households owned a microwave oven, 37 percent a dishwasher and 56 percent a dryer; by 1993 those figures were 78 percent, 50 percent and 68 percent. People buy more because their incomes are higher. (Statistics understate incomes by overstating inflation's effect on 'real' wages and salaries.) As for anxiety, it exists—and always will. But America is not clinically depressed. The Gallup Poll reports that 66 percent of Americans expect their financial situation to improve in the next year."

The portrait of the country on the verge of—or past the point of—an economic breakdown is an article of faith, not a pronouncement of fact. Virtually all relevant data, such as total compensation, income mobility, job tenure, median household net worth, inflation, unemployment, and educational opportunities, undermine the idea that we are living after the gold rush. As W. Michael Cox and Richard Alm wrote in REASON a year ago, "There are problems in these United States—no doubt about it—but the conclusion that we're not living as well as we once did is pure mythology....Today's Americans aren't orphans of history. Far from it, they

are experiencing what previous generations worked so hard to achieve—rising living standards." (See "The Good Old Days Are Now," December 1995.)

Ironically, then, something other than economic privation is driving the market in middle-class despair. As the same story gets pitched at us from the television and the movie screen, the newspaper and the novel, it becomes clearer that the sources for this tale include good old-fashioned nostalgia, selective focus on negative trends, and a profound misunderstanding of the market forces that helped make America a land of plenty in the first place.

Within months of *The Ghost of Tom Joad*'s release, the National Association of Home Builders ranked the Youngstown metro area as the 13th most affordable housing market in the country, even as housing resale prices from 1992–1993 jumped by a higher-than-national-average 7.9 percent; and the area was enjoying its lowest unemployment numbers in 15 years.

Curiously, some purveyors of the death of the American Dream admit that things are not as nasty as they want them to be. Earlier this year, for instance, *The New York Times* ran a widely cited, hugely influential, and highly arguable series called "The Downsizing of America." Even as the editors noted that the "series...concentrated on the people who lost jobs, not the many more who have gained jobs in a growing economy," they acknowledged that the country's economic system had engendered prosperity and freedom for "almost everyone," that the "United States...is the envy of other industrial democracies because of its recent success in creating jobs and subduing inflation."

Still, it's clear that death, like sex, sells, and the sensibility that the American Dream has come a cropper is ubiquitous even—or perhaps especially—in works whose claim to our attention is their "realism." Last year, for instance, Bruce Springsteen released *The Ghost of Tom Joad*, an album named for the protagonist of John Steinbeck's 1939 novel of the Great Depression, *The Grapes of Wrath*. (Not surprisingly, Steinbeck's cultural stock has risen of late. T. Coraghessan Boyle's recent novel of a maxed-out Los Angeles stripped of all glamour and most opportunities, *The Tortilla Curtain*, alludes to Steinbeck in its title and opens with an epigram from *Grapes*.) *Tom Joad*'s title track describes "a new world order" filled with "men walkin' long railroad tracks...shelter line[s] stretchin' round the corner...families sleepin' in their cars...no home no job no peace no rest."

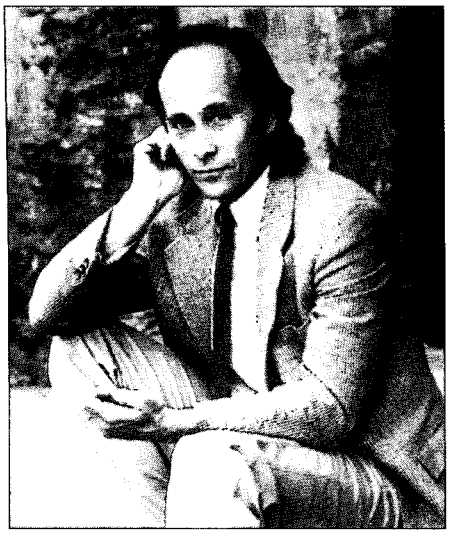
In perhaps the album's best-known song, "Youngstown," Springsteen assumes the voice of an Ohio factory worker who has seen his middle-class existence —and his children's future—end with the closing of steel and iron plants: "Sir you tell me the world's changed...Once I made you rich enough...rich enough to forget my name."

Within months of *The Ghost of Tom Joad*'s release, however, the National Association of Home Builders ranked the Youngstown metro area as the 13th most affordable housing market in the country, even as housing resale prices from 1992–1993 jumped by a higher-than-national-average 7.9 percent; the area was enjoying its lowest unemployment numbers in 15 years; and it squeaked into the *Places Rated Almanac*'s top third of metro areas (114th out of 343) as a place to live. None of this suggests that Youngstown's streets are suddenly paved with gold—or even that it has kept pace with the generally enviable growth throughout the not-so-long-ago rusted-out Ohio economy. But it does suggest that something more complicated than unambiguous ruin is going on.

Tom Joad garnered Springsteen his best notices in years and was widely taken to reflect the plight of "average" Americans. "A state-of-the-union message that you shouldn't ignore," wrote the *Palm Beach Post* in a typical review. "This land is your land, says Bruce Springsteen on his haunting new record....Ripped from today's headlines, it's a powerful indictment of a lost nation that Springsteen believes is no longer made for you and me."

The notion that these are Dust Bowl days has become a bedrock assumption needing no justification. Hence, *The New Yorker*, in a capsule summary of the recent Broadway production of Sam Shephard's 1978 play *Buried Child*, mentions almost offhandedly, "It takes place in the heartland, in the middle of the desiccated wasteland that America has become." A similar mindset informs the recent art-house film *The Low Life*, whose very title signals dissolution and despair. The movie follows a trio of recent Yale graduates (!) who move to Los Angeles and find that, unlike generations past, the world is no longer their oyster—or even their fried clam strip. "Just arrived in Los Angeles," writes the protagonist John to an uncle. "I'm going to try to be a writer. First will have to find a job. But, unlike a large portion of the newly arrived population, I will not fail." The best John can do is find a series of what pass for demeaning temp jobs: first sorting credit card slips, later working for a second-generation slumlord.

In his positive review, *Los Angeles Times* movie critic Kevin Thomas was quick to supply the larger cultural backdrop: "In decades past, lots of us with col-



Richard Ford: His funereal vision of the American Dream reflects much of contemporary politics, media, and popular culture.

JOHN FOLEY

lege degrees started out in equally menial positions. But we had reason to be confident that opportunities would open up and that we would eventually move on. With *The Low Life*, director George Hickenlooper and his co-writer, John Enbom, introduce us to the harsh realities facing young people in today's world of lowered expectations."

This sense of diminished expectations is all the stronger in Richard Ford's best-selling 1995 novel, *Independence Day*, which earlier this year became the first book to win both the Pulitzer Prize and the prestigious PEN/Faulkner Award for fiction—together, an Establishment imprimatur on the death of the American Dream. *Independence Day*, a sequel to Ford's *The Sportswriter* (1986), is narrated by divorced realtor Frank Bascombe of the tony community of Haddam, New Jersey (widely recognized as Princeton). The novel chronicles Frank's thoughts and activities over the Fourth of July weekend in 1988. Far from commemorating the country's origins, however, this holiday celebrates the dearth of a nation. Although the novel takes place in the Northeast, the larger setting is an America increasingly beset with fear and loss, largely as a result of what Frank calls "the big gut check of last October"—the stock

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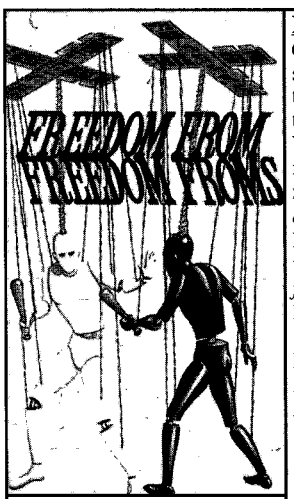

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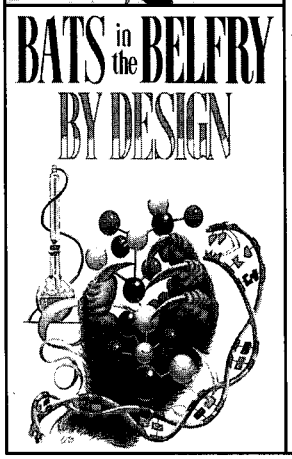

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market crash of 1987.

Everywhere Frank looks, he sees signs the bubble has burst: "high-dollar franchises—places that never staged a sale—have... given way to second-echelon high-dollar places where sales are a way of life"; local stores clear out "under the cover of darkness, owing people money and merchandise"; even Japanese car dealerships go "belly-up."

As a realtor, Frank is particularly attuned to plummeting real estate values—Haddam is a "town in the throes of a price decline." This is a world summed up by the "Just Reduced" stickers slapped on the ever-present "For Sale" signs. Focusing only on signs of distress throughout the economy, Frank fails to note that falling prices may benefit those less well off. Indeed, one of the worst aspects of economic instability is the "different crowd of visitors" it brings to Haddam.

"In the early Eighties," Frank notes, Haddam's "typical weekenders were suave New Yorkers—rich SoHo residents in bizarre get-ups and well-heeled East Siders come down to 'the country' for the day, having heard it was a quaint little village here, one worth seeing, still unspoiled, approximately the way Greenwich or New Canaan used to be fifty years ago, which was at least partly true, then.

"Now those same people are either staying at home in their cement-and-burglar-barred pillboxes and getting into urban pioneering or whatever their checkbooks allow; or else they've sold out and gone back to KC or decided to make a new start in the Twin Cities or Portland, where life's slower (and cheaper)."

In their place is a decidedly more downscale set of folks with bad manners and thin wallets. These "less purposeful ...humans...have more kids that're noisier, drive rattier cars with exterior parts missing and don't mind parking in handicap spaces or across a driveway or beside a fire hydrant as though they didn't have fire hydrants where they come from." Rather than spending real money at pricier local restaurants and hotels, they "keep the yogurt franchise jumping and bang down truckloads of chocolate chip cookies."

Why are so many people selling (and buying) a message at so great a variance with shared experience? With regard to journalism, *Newsweek*'s Samuelson contends the explanations fall into three basic categories: sensationalism, ideology ("journalists detest the profit motive"), and ignorance. That's not a bad start at an answer for the larger trend as well.

The first section of the novel revolves in large part around Frank's dealings with Joe and Phyllis Markham, middle-aged ex–flower children fleeing Vermont's "professional dropouts and trust-fund hippies." They want access to "NYC markets" for Joe's pottery and good schools for their daughter. After wading into Haddam's housing market, however, the Markhams find themselves in a "dilemma" that Ford suggests is "the dilemma of many Americans": "The whole country seems in a mess to me," Phyllis confides to Frank at one point. "We really can't afford to live in Vermont, if you want to know the truth. But now we can't live down here either."

Never mind that the infuriatingly clogged traffic on nearby Routes 1 and 27 hardly heralds the start of a new Okie exodus (even if it signals a downturn in local quality of life). Frank prowls the hungry streets of Haddam/Princeton and its environs, documenting the end of the American Dream in a part of the Garden State whose busts are stronger than most areas' booms. The same funereal vision infuses much of the politics, the media, and the popular culture—the psychic imagination of contemporary America.

It is worth pondering why this is so, especially since the death of the American Dream—certainly its economic underpinning—is wildly exaggerated. Why are so many people selling (and buying) a message at so great a variance with shared experience? With regard to journalism, *Newsweek*'s Samuelson contends the explanations fall into three basic categories: sensationalism, ideology ("journalists detest the profit motive"), and ignorance. That's not a bad start at an answer for the larger trend as well.

Part of the reason for the death-knell stories surely has to do with the famous dramatic axiom that Leo Tolstoy enunciated at the opening of *Anna Karenina*: "Happy families are all alike; every unhappy family is unhappy in its own way." Tolstoy's point is that there is inherently more conflict and tension—the raw stuff of good dramatic art—built into desperate, forlorn situations (sad songs say so much). The stakes are not only higher, they are easier to understand. The reader, the viewer, the listener needs a rooting interest, and the surest way to an audience's heart is by presenting a sympathetic character fighting the good fight against overwhelming odds.

Ironically, contemporary stories about the American Dream not only exclude the possibility of happy families, they present us over and over with unhappy ones who are unhappy in the same sort of way. But even when such stories are aesthetically engaging and satisfying, such narrative conventions fail to do justice to how the world operates; it is dangerous to view real life through dramatic conventions—the subject of a number of great novels, including *Don Quixote* and *Madame Bovary*.

Beyond aesthetic predispositions, however, the myth of a ruined America is wrapped up in an emotionally understandable embrace of a soft-focus past, in which things were more orderly, more honorable, more easily understood—if only because they are a known quantity. Hence, Bob Dole can be "the most optimistic man in America" and longingly refer to his impoverished, war-torn youth as a "better" time for the country. This is, of course, the lament of every generation, and it is not without genuine pathos. The old world forever gives birth to a brave new one marked by strange people, strange customs, and strange developments.

We hear this plaintive echo in the line from Springsteen's "Youngstown": "You tell me that the world has changed." Change, every bit as much as time, has become the thief of hope. Interestingly, the fear of change is not precisely fear of shifting economic tides. Fear of change in contemporary America has to do with a larger dread that the future is building into a massive tidal wave—of immigrants, of information, of postindustrial innovation—that threatens to engulf everything we once called America. The flood waters of an ever-changing world are rising, this line of thinking goes, and soon everything we stood for, everything we lived for, will be a soggy ruin, a latter-day Pompei.

During a moment of clarity in *Independence Day*, Frank Bascombe muses an analogous thought and puts a telling baby boomer spin on it: "The strongest feeling I have now when I pass along these streets and land and drives and ways and places ...is that holding the line on the life we promised ourselves in the Sixties is getting hard as hell. We want to *feel* our community as a fixed, continuous entity...as being anchored into the rock of permanence; but we know it's not, that in fact beneath the surface (or rankly all over the surface) it's anything but. We and it are anchored only to contingency like a bottle on a wave, seeking a quiet eddy. The very effort of maintenance can pull you under."

A similar sense of exhausting effort and waning community pervades David Beers's *Blue Sky Dream: A Memoir of America's Fall from Grace*, a book more complex and ambivalent than its subtitle suggests. Born in 1957, Beers chronicles his upper-middle-class youth in California's Santa Clara Valley, made possible by his father's corporate career as an engineer at Lockheed Missiles and Space Co. Beers's family was part of what he calls the "blue sky tribe," benefactors of the Cold War buildup that both poured money into California's economy and, as important, gave disparate people a sense of solidarity and common mission. Unlike today, growth and confidence—"a sensation of forward momentum"—were taken for granted.

DEIRDRE BEERS

David Beers: Our options are a regimented national community or an all-consuming war.

Beers stresses that this version of the American Dream—complete with cradle-to-grave job security, steady promotion and raises, and fashionable, ever-appreciating tract housing—was not without costs. His father, Hal, a former Navy jet pilot, chafed against playing the role of organization man, often taking his frustration out on his family, whom he verbally and sometimes physically abused; conformity was rewarded over individuality; innovation was viewed with suspicion.

In its best moments, *Blue Sky Dream* ponders the ironies of winning the Cold War, which, with the subsequent decline

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in defense spending, pulled the plug on a sizable portion of the economy, not just in California but throughout the country. (A left-liberal who has worked for *Mother Jones*, Beers also muses about the fact that he owes most of his advantages in life to a system he deems corrupt and immoral.) Replacing the monolithic, bureaucratic military-industrial complex of his childhood is the constantly changing culture of Silicon Valley. There, job tenure is measured in months rather than years, and the only guarantee is that there will be no guarantees—or, rather, that there will be new and equally turbulent places to move on to. Beers recognizes that mobility does not necessarily mean insecurity. He tells the story of a 35-year-old downsized Lockheed employee who, after an initial period of discombobulation, goes on to find wealth and personal happiness by embracing change, risk, and adaptability.

Fear of change in contemporary America has to do with a larger dread that the future is building into a massive tidal wave—of immigrants, of information, of postindustrial innovation—that threatens to engulf everything we once called America. The flood waters of an ever-changing world are rising, this line of thinking goes, and soon everything we stood for, everything we lived for, will be a soggy ruin, a latter-day Pompei.

Indeed, Beers can appreciate the liberating aspects of such a new world. Reflecting on the willingness of his father to share the shortcomings of stolid, corporate life, he writes, "I thank him for the doubt and pain he has revealed to me, layer by layer, not just through his stories but even when I knew it as inchoate anger. I am grateful because all of it showed me why the culture of the corporate bureaucracy was a way of work not only to be avoided but unlikely to thrive forever. ...If my father had not exposed for me the flaws in its foundation, would I have managed to be so far clear of the blue sky monolith when the toppling began?"

And yet, even as he charts the demise of that stultifying order, he laments the lack of a national American Dream that will regiment individuals into a tightly woven community. He cites 1995 focus-group discussions that "found Americans believing their economy was 'unraveling before their eyes,' believing that no institution—government, corporations, the media—reflected their concerns." Oddly, for Beers, the freedom to pursue one's ends seems to hold a higher price tag than subjugating them to the common good: Such freedom terminates in a war of all against all. *Blue Sky Dream*'s final image has Beers sitting in a flight simulator by which he and three other "co-pilots" fly over a virtual Earth. As he approaches the Golden Gate Bridge, his plane "is suddenly in free fall, the hydraulic rockers beneath me pitching me forward, the pixilated azure of the Pacific Ocean filling more and more of my windscreen....I had not recorded the fact that this day's other fliers, my squadron mates, were not only allowed but invited to accumulate extra points by shooting down one of their own."

Throughout all these stories is a sense of despair and disappointment that the world turned out differently than anticipated. It is probably no coincidence that the tide of declinist stories has risen as the baby boomers cruise into true middle age and a keener appreciation of their lives' successes, failures, and future possibilities. The first boomers turned 50 this year; Springsteen is 47; Ford is 52; Beers speaks of "approaching middle age." As the boomers fully inhabit the seats of cultural production, they are realizing it is no easy task to age—a task made even more difficult by their generation's great emphasis on youth. Contingency, change, and flux, all of which have always been abundant in American life, are easier on the young, easier to take when you have little to lose and much to gain. And paradoxically, as people begin to reap the benefits of the choices they have made and the paths they have pursued, roads not taken often become all the more alluring. The "downsizing" of the American Dream may ultimately stem from the boomers' acknowledgement that their world, like the one before it, will inevitably give way to another.

As important, those uncomfortable with change can little appreciate or acknowledge what Joseph Schumpeter called "creative destruction," the process by which a market-based society "administers existing structures"—how it renews, revamps, and revitalizes itself. Instead they see mostly destruction; change is usually for the worse. Even someone like Beers, who acknowledges positive elements in a mobile economy, seems highly uncomfortable with such a pattern.

The news thus delivered has a relatively uncomplicated connection to the world it seeks to describe. Certainly, the human condition is often harsh, difficult, unjust, heartbreaking, desperate. Alas, such is life—a fact properly reflected in the stories we tell, from *Oedipus Rex* through contemporary tales. But life also includes hope, joy, growth, change, discovery. When our storytellers fail to capture, to document, to explore the creation of new worlds along with destruction of old ones, when they mistake our past for heaven and our present for hell, we are left with a cultural imagination that is severely impoverished and, ironically, bereft of dreams for the future. ℞

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Learning Curve

By Mark S. Miller

Hidden Order: How Adaptation Builds Complexity, by John Holland, New York: Addison-Wesley, 185 pages, $24.00/$12.00 paper

"On an ordinary day in New York City, Eleanor Petersson goes to her favorite specialty store to pick up a jar of pickled herring. She fully expects the herring to be there. Indeed, New Yorkers of all kinds consume vast stocks of foods of all kinds, with hardly a worry about continued supply....What enables cities to retain their coherence despite continual disruptions and a lack of central planning?"

With this question, John Holland begins his ambitious and intriguing, but often frustrating, book about spontaneously ordering systems. Holland is a professor of computer science and electrical engineering and of psychology at the University of Michigan, a recipient of the MacArthur Fellow award, and co-chairman of the Santa Fe Institute Steering Committee. (See "Complex Questions," January 1996.) In *Hidden Order*, he draws our attention to similarities among phenomena as diverse as the biological evolution of individual organisms and complex ecosystems; the functioning of the immune system; the way minds perceive and learn; the dynamics of the market economy; and some software systems of his invention, which learn to adapt to their environment. Though separate disciplines study these phenomena, Holland shows deep general principles that underlie them all. When fields separated by existing academic boundaries share unifying principles, the time is ripe for the creation of a new cross-cutting discipline.

Holland calls that discipline-in-formation the study of "complex adaptive systems," or *cas*. Like economists F. A. Hayek and Herbert Simon, he was one of the field's earliest contributors—and one of the best. Although Holland developed his ideas without knowledge of Hayek's work, the two scholars are wonderfully complementary. (Simon, whose work is beyond the scope of this review, is a leading artificial intelligence researcher and, like Hayek, a Nobel laureate in economics.) Whereas Holland started with machine learning and genetic evolution, and extended into psychology, epistemology, and symbiosis in ecosystems, Hayek started with psychology, evolution, and economics, and extended into epistemology, law, ethics, and culture.

By taking seriously the evolutionary, unplanned nature of markets, Hayek made seminal contributions to economics. These contributions help explain the nature of the knowledge learned by evolutionary processes, and how ecosystems can successfully self-organize to employ vast amounts of such knowledge. Though not well known by current neural-network researchers, Hayek's 1952 book *The Sensory Order* helped found (via the work of Frank Rosenblatt) that branch of machine-learning research. Taking different paths, Hayek and Holland came to a common notion of the territory they were exploring. Hayek also called for a new discipline to study *cas*, which he called "spontaneous orders."

BOB KALMBACH

John Holland greatly advances our understanding of the evolutionary learning of complex adaptive systems. He provokes important cross-disciplinary questions even when he does not ask them.

Of all *cas* researchers, including Hayek, Holland is clearest that evolutionary learning is the important property shared by complex adaptive systems, and he has done the most to advance our general understanding of such learning. Unfortunately, though *Hidden Order* focuses on learning, speaks of the importance of applying *cas* insights to economics, and even employs idealized markets within the learning mechanism of classifier systems, it nowhere applies learning ideas to the study of markets.

Nonetheless, and to Holland's credit as one of the new discipline's progenitors, the book will encourage interested readers to consider the implications of his theory for how markets learn. Current economics focuses on markets as mechanisms for efficient allocation and distribution, and as arrangements providing freedom and rights, but it rarely examines the questions first raised by Hayek: how markets themselves learn, and how they successfully employ learned knowledge. Building on Holland's work could open up this important field of inquiry.

Holland came to complex adaptive systems through his work on machine learning—the effort to

build artificial systems that learn by interacting with an environment. Using insights from biological evolution, he first invented "genetic algorithms," presented in his 1975 book *Adaptation in Natural and Artificial Systems*. Genetic algorithms have spawned an important branch of machine-learning research, complete with annual conferences, and are used in commercial software to do such complex tasks as grading wood and identifying fingerprints. Combining genetic algorithms with insights from cognitive psychology, epistemology, and economics, Holland went on to invent "classifier systems," an even more ambitious machine-learning architecture presented in his 1986 book *Induction*. By borrowing mechanisms from naturally occurring complex adaptive systems, and synthesizing them into machine-based systems, Holland hoped not only to find useful tools for computing but to gain new insights into natural *cas*.

Genetic algorithm research could shed new light on controversies about intellectual property rights. Evolution normally works by trying small variations on good ideas to search for better ones. The patent system inhibits exploration of small variations—because they would be infringing—biasing innovation toward taking large leaps. How does this affect overall progress?

In *Hidden Order*, Holland shifts his focus from machine learning to study of the general nature of complex adaptive systems. He starts by proposing seven characteristics, which he argues unify all *cas*. The book goes on to discuss Holland's three evolutionary software architectures: genetic algorithms, classifier systems, and a new one presented here for the first time, Echo. In Echo, complex creatures arise from symbiotic patterns formed from simpler creatures. These three systems are not introduced primarily to teach about machine learning, however, but to explore *cas* issues in a clear and concrete manner. Throughout, Holland sprinkles examples from a good mix of different *cas*, including markets. Finally, the book concludes with an attempted call-to-arms that presents potential contributions to economics as the primary motivation for studying *cas* and suggests some public policy implications.

One of Holland's principal purposes is to propose underlying characteristics common across all complex adaptive systems. He seeks to create a theoretical underpinning for the new field that will "separate fundamental characteristics from fascinating idiosyncrasies and incidental features," so that systematic research becomes possible. "Theory is crucial," he writes. "Serendipity may occasionally yield insight, but is unlikely to be a frequent visitor. Without theory, we make endless forays into uncharted badlands." With a workable theory, however, we can begin to ask and explore useful questions.

Holland begins, therefore, by organizing the properties and mechanisms that he argues are universal among *cas*. Very briefly, these are:

•*Aggregation*. Complexity emerges from interactions of simpler components, often themselves complex systems emergent from interactions of yet simpler components: Bodies are made of organs, made of tissues, made of cells.

•*Tagging*. Agents carry recognizable markers allowing other agents to suspect which ones have particular properties. Examples include trademarks, pheromones, and the immune system's ability to spot past invaders.

•*Nonlinearity*. Agents interact, rather than just adding together.

•*Flows*. Agents organize into networks of potential interactions. One interaction triggers another, causing effects to flow through these networks.

•*Diversity*. Agents evolve to fill diverse niches, which are defined by how the agent interacts with other agents. Niches usually outlive their current occupants, and the change of niches over time has a much greater effect on an ecosystem than changes to individual agents. For markets, if agents are businesses then niches are industries.

•*Internal models*. Agents experience internal changes that result from sensing an external world. Such changes bias actions toward those likely to be effective in a world that produced those sensations. These internal states are often a form of *tacit knowledge* of the world—they embody a discovery of how to exploit a regularity of the world without representing the regularity itself. Evolution adapted the eye to facts about optics, but nowhere in the eye can one find a representation or explanation of those facts.

•*Building blocks*. Components are reused for multiple purposes. This is the flip side of aggregation. When businesses are not vertically integrated, for instance, a supplier serves multiple companies. These independent suppliers learn less about any one company, instead learning more general lessons by serving a diversity of companies.

Though not quite as universal as Holland claims, these characteristics are universal enough to indicate general principles. Holland's three ecosystems provide clear examples of several of these.

Genetic algorithms search for solutions to hard problems by variation and selection of creatures representing proposed answers. Genetic algorithms are based on a simplification of genetic evolution: Each "creature" is essentially a single fixed-

length chromosome—a string of computer symbols—whose "fitness" is rated according to the quality of answer it represents. Initially, one creates a population of creatures made of random chromosomes. The ratings then determine how many variations of each creature will form the next generation of the population. This procedure is repeated from one generation to the next.

For example, say a salesman must visit certain cities and needs a route that minimizes total distance. To use genetic algorithms to find a short route, the salesman generates a population where each creature is a randomly ordered list of these cities. To pose a problem, the salesman creates a reward function: When a creature's list is interpreted as a route, the shorter the route, the more offspring the creature has. Over generations, the quality of routes present in the population improves. The answers produced by genetic algorithms, while embedded in the rules governing the system, are often far from predictable. By mimicking genetic evolution, such systems are able to generate better solutions more quickly than conventional programs. They learn.

Sexual reproduction, in particular, leads to a form of learning that produces substantially faster search. In the sales-route example, when two creatures mate, their progeny inherit sub-sequences of cities from each parent, leading to the eventual combination of separately discovered good sub-routes. Combining parts of separately evolved answers produces rapid convergence on a good overall route. In effect, the sub-sequences are treated as proposed answers to possible sub-problems and serve as reusable building blocks for assembling ever larger answers. Learning proceeds by accumulation, improvement, and growth of these building blocks. Holland's analysis of sex also helps explain the power of combining partial solutions by entrepreneurship or interdisciplinary study.

Genetic algorithm research could shed new light on controversies about intellectual property rights. Evolution normally works by trying small variations on good ideas to search for better ones. The patent system inhibits exploration of small variations—because they would be infringing—biasing innovation toward taking large leaps. How does this affect overall progress? Although addressing such questions also requires careful institutional analysis, Holland gives us some useful new tools. Examining innovation as evolutionary learning would complement conventional analyses of free riders, monopolistic pricing, and transaction costs.

Classifier systems are motivated by a fundamental puzzle. Sensation necessitates classification into categories that, in turn, can only be learned by exposure to

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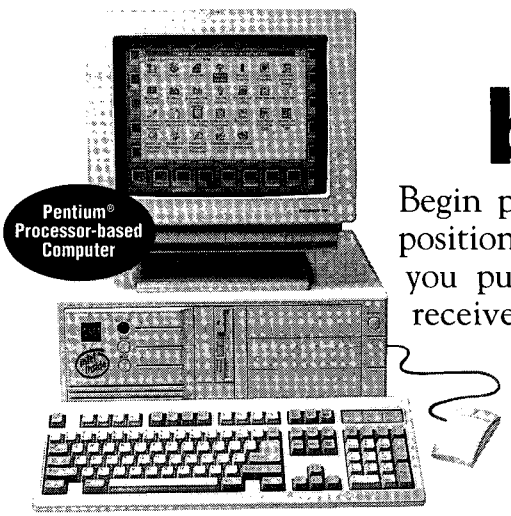

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sensations. Can this be untangled? This same question motivated Hayek's *The Sensory Order*, and both Hayek and Holland start with the same observation: One part of a mind might sense and learn about other parts of a mind much as a whole mind senses and learns about the external world.

From here, Holland goes much further than Hayek. He constructs an ecosystem of creatures evolving by genetic algorithms in which a "chromosome" is interpreted as an if-then rule. The *if* part is a pattern that matches some combination of stimuli from the external world, as well as the *then* parts of other rules. When stimuli arrive, the classifier framework triggers those rules with closely matching *if* parts. The *then* parts of these rules are added to the "stimuli," triggering further rules. In this way, the mechanisms used to recognize patterns in raw stimuli are also used to recognize patterns of prior recognition events. The resulting uniformity enables sophisticated perceptions to grow on simpler ones.

Why do some perceptual categories prosper while others wither away? Classifier systems use market-like competition in a procedure for discovering which categories reflect regularities in the world. Some *then* parts trigger actions in the external world, much as minds trigger muscles. These external actions have consequences that may be good or bad. When judged good, the classifier framework "pays" the rule that triggered the action. This rule passes along some of the fee to the rules that triggered it—payment for "recognition subcontracting," as it were. These subcontractor rules, in turn, pay their subcontractors. This "flow" of payments retraces, in reverse order, the flow of causation that led from external stimuli to useful actions. Over time those "recognition businesses" not contributing to useful behavior go broke, while the others are getting paid and having sex.

Holland built this bridge between markets and learning in order to carry ideas from markets into classifier systems. What if we cross this bridge in the other direction? The network of relationships in a market economy—who contracts with whom, or even who knows whom—constantly shifts, adapting to complexity in the world. When Holland's classifier networks shift their connectivity because of payment flows, they also indirectly learn facts never known to any creature within the network. Perhaps *human networks of trade learn facts not known to any individual.* Indeed, once one understands classifiers, it becomes hard to suppose this is not the case. Though we cannot know these facts in particular, we may abstractly reason about the learning process, and come to realize that some of the rigidities imposed on markets (perhaps SEC constraints on investing) do vastly more damage to learning than others. Such differences would be missed by conventional social-cost and efficiency analysis.

The network of relationships in a market economy—who contracts with whom, or even who knows whom—constantly shifts, adapting to complexity in the world. When Holland's classifier networks shift their connectivity because of payment flows, they also indirectly learn facts never known to any creature within the network. Perhaps *human networks of trade learn facts not known to any individual.*

Classifiers use tagging to determine which rules match which stimuli. The tag used to indicate a given property is arbitrary—why is *cat* the word for cat? A tag's "meaning" is only established by use and experience. Over time, tags evolve to profitably match recognition businesses and their potential customers, thereby reinforcing useful perceptual categories. This use of tagging suggests how to apply some of Holland's work to markets and language: A city contains many buyers and sellers, often trying to find each other. Once it becomes known that Castro Street is good for Chinese food, or Lawrence Expressway for computer equipment, buyers and sellers know where to meet. How do these meeting places emerge, and how does their character shift over time? The economist Thomas Schelling, in his book *The Strategy of Conflict*, describes a game played on students—they would each receive $1,000 if they met in New York without prior communication. Many went to the clock at Grand Central Station because they *expected* it to be a mutually vivid choice. As these expectations change, the profitable places to meet shift. As places shift, new expectations are learned.

Similarly, language involves speakers and listeners using words to try to mean the same thing. Language evolves to provide for broad agreement on a word's meaning, as well as subtle shifts of meaning over time. If words are considered as places in a space of possible sounds, we can think of the problem of agreeing on a word as one of selecting a meeting place.

Are the causes and dynamics of shifts in a word's meaning similar to the change in character of a shopping area? How do diverse incentives interact to pull a tag in different directions? Might some terminology shifts be parasitic mimicry phenomena, like the perpetual need for new euphemisms as old ones are used up? By providing a common conceptual framework across systems this different, and by mixing their metaphors with great agility, Holland provokes such cross-disciplinary questions even when his book does not ask them. To establish a new discipline, rather than a collection of somewhat related but ultimately independent fields,

requires raising such questions.

Echo is a richer but less mature ecosystem designed to explore the emergence of complex aggregations, such as multicellular organisms or corporations. While it's too early to tell how well it will run, Echo demonstrates Holland's ability, decade after decade, to raise and explore important new questions. Evolution operates on information patterns that can replicate, he says, but what about the learning involved in growing a symbiotic arrangement? The creatures within this arrangement can replicate and evolve, but what about the arrangement itself? Echo seeks to probe such issues. It is a model of how symbiotic arrangements can be templates for forming larger, more complex, replicable creatures.

To realize this, Echo introduces *adhesions*, *boundaries*, and *conditional replication*. Symbiotes sufficiently interdependent come to adhere to each other, and a set of such closely coupled creatives may form a boundary—interior creatures are no longer available for interaction with outsiders, and so no longer need to be prepared for these interactions. In a differentiation process inspired by how embryos develop, once a boundary forms, the resulting "multi-agent" grows by replicating its component creatures into positions that approximately replicate their original relationships. With this transformation, the learning embodied in the structure of the arrangement becomes subject to normal evolutionary processes. Some of the organelles in our cells, such as mitochondria, started out as independent creatures. Plausibly, many vertically integrated companies form by "copying" a spontaneously grown pattern of subcontracting.

Anyone brave enough to attempt broad interdisciplinary work faces the danger of saying foolish things outside their area of expertise. Holland's courage is to be praised, but his book errs when relating his insights to economics. Were economics treated only as one *cas* example among many, these errors would not matter so much. However, the book's motivation relies on economics, so these errors must be dealt with.

The main discussion of flows, for instance, speaks of material flowing through a system, and the need for recycling to maintain a high concentration and avoid shortages. The biological ecosystem, however, is the only *cas* Holland presents for which the relevant flows are subject to material shortages. For all the others, flows are information signals and the notion of shortages makes no sense. The only attempt to show that the recycling issue is general uses a naive Keynesian analysis of money. Holland never mentions that the shortage goes away when the value of money changes. And his own ecosystems engage in sophisticated flows that make no use of recycling.

On a similar note, he states that the "tragedy of the commons" occurs simply "because each person mistrusts the moderation of others," omitting any discussion of the ways in which private property rights avoid such overuse of resources. To explain that *cas* suffer from problems that might be more generally investigated, the book repeatedly mentions viruses and trade balances. I can understand why viruses might be problematic, but trade balances?

Surprisingly, what Holland presents as the chief contribution his work can make in economics is to help us identify "lever points" for fixing economic problems. With better insights into how economies function, he imagines we might find those key interventions for fixing various problems. (His example is a Depression-era make-work program, the Civilian Conservation Corps, presented with scant evidence of net benefit.) This is the familiar central-planning fantasy, and everything the book says on the matter has already been well answered by Hayek.

Indeed, it has even been answered by Holland's own research: He built his computational ecosystems to develop according to their internal principles, *not* to enable himself to meddle and nudge. Each of his systems rests on a simple framework of rules—one might say a constitutional framework—designed to allow

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evolution without outside intervention. Were he to find himself manipulating "lever points" to keep his system on track, he would regard that as a bug to be fixed.

Contrast this with the system where he does propose such "outside" intervention—the market. In the market, the intervener is of no greater intelligence than the creatures populating the system, and of substantially lesser intelligence than the system as a whole. Worse, the information within the system *cannot be gathered together*. This is the Hayekian "knowledge problem," and it cannot be sufficiently emphasized. No one can ever succeed, no matter how totalitarian their control, at bringing together in one place the dispersed information that individuals and market structures are locally adapting to but are mostly unaware of. Holland endows his learning systems with a large population so the resulting system can learn more, and can behave in ways that take more knowledge into account. If a smaller population of creatures were given levers for controlling a larger population, this would simply reduce the aggregate intelligence of the system toward that of the smaller population.

As Thomas Jefferson said, "We shed our blood...that our children may be philosophers." Having seen the horrors statism leads to, Hayek shed much of his life warning us, rather than advancing his early groundbreaking work. This research program is finally being pursued, but, ironically, mostly by researchers unaware of Hayek's work. At the same time, those most influenced by Hayek still fight the old fights.

Holland does not appreciate that there is no *outside* for the market. Any individual or group, given the power to wield a lever arm over the market, would become part of a system of incentives coupled to that market. This is the "public choice" insight. The resulting system is still one of feedback and incentives —now including the intervener—but no longer is it simply a market system. Given the evidence of history, the burden of proof is on those who propose mixed systems to explain why they would be an improvement. Perhaps Holland is too used to interacting with laboratory ecosystems, where he truly is outside, to have a sense of the force of this problem.

But even in his laboratory, should he attempt such outside intervention, he would *still* find himself suffering from the Hayekian knowledge problem, even though all the information literally is gathered together and available in one place. He would find that the system had come to embody, by adaptation, knowledge about itself to which he had no practical access. Indeed, much of the attraction of the spontaneous ordering approach to machine learning is that—in large measure because of Holland—we can get machines to adapt to complex phenomena we ourselves have difficulty figuring out.

The contrasting approach—having machines form explicit representations of the lessons they learn—has not resulted in much learning; and only these representations could have made the accumulated knowledge visible to an observer. Research to date shows that figuring out *what* an adaptive system has learned is astonishingly more difficult than the learning itself. Even with full access and control of the entire state of the machine, an intelligence orders of magnitude greater than the creatures populating the machine or of the machine as a whole, and from a position truly insulated from the system's incentives, Holland would still find it extremely hard to intervene to good effect, and he is wise not to try.

Despite the problems, Holland does a fine job proposing a discipline to study these questions and principles, and seeding it with his own research. His three software systems are powerful insight generators for all *cas*, not least because they remove the ghost from the machine. By stepping through the entire mechanisms of a few full evolutionary learning systems, we see there is no magic. Each is a system whose logic we can hold in our heads, thereby enabling thought experiments. Applying the resulting clarity of insight to the examination of other *cas* leads to better understandings of each and of the relationships among them.

The interdisciplinary investigation Holland is pursuing into the nature of spontaneously ordering evolutionary learning systems is the research program Hayek had earlier proposed. Hayek did much early original work and clearly would have loved to do more. However, as Thomas Jefferson said, "We shed our blood...that our children may be philosophers." Having seen the horrors statism leads to, Hayek shed much of his life warning us, rather than advancing his early groundbreaking work. This research program is finally being pursued, but, ironically, mostly by researchers unaware of Hayek's work. At the same time, those most influenced by Hayek still fight the old fights. Now that the tide has turned in the struggle to free minds and free markets, it is time to join these bold researchers in the quest to understand both. ®

Mark S. Miller (markm@caplet.com) is one of the pioneers of the field of agoric computation—using idealized markets as the foundation of secure distributed general-purpose computing. He works for Electric Communities in Cupertino, California, and can be found at http://www.caplet.com. *He thanks Bill Tulloh, K. Eric Drexler, and others for their ideas and assistance with this article.*

Gouge Away

By John Hood

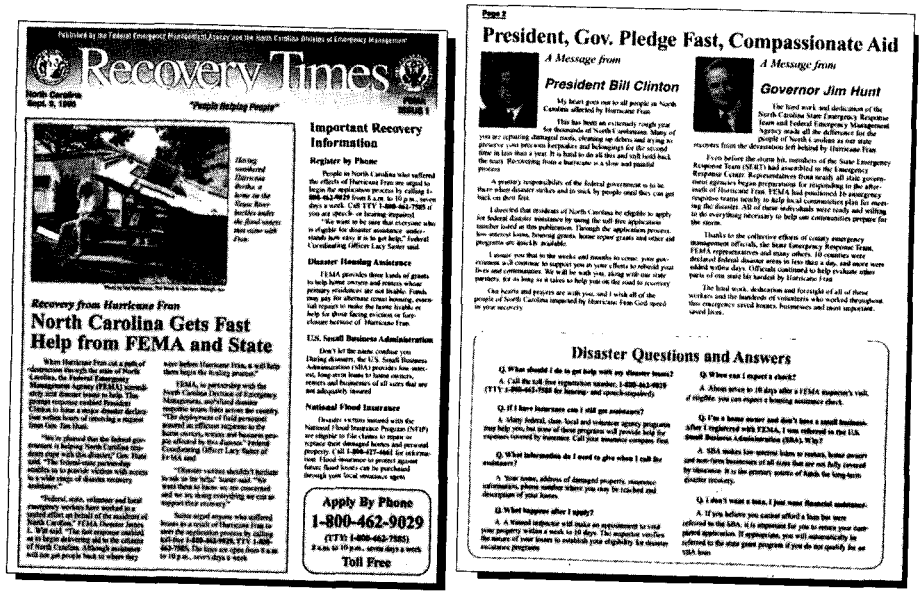
Hurricanes and the politics of prices

I AM A VICTIM OF PRICE GOUGING.

Less than a day after Hurricane Fran's visit September 6, I ventured out of my neighborhood just south of Raleigh, North Carolina, to look for gasoline. I, along with seemingly half of the population of Wake County, found it at a nearby service station, the owners of which had rented someone's generator to get the pumps going. The line stretched far down U.S. Highway 70. I didn't mind waiting. Nor did I mind paying about 15 cents a gallon more than I had the previous week. Driving away with $10 of gas, I didn't feel gouged. Excited would be more like it. Not only did I have transportation, but also a potential source of air conditioning—a necessity of life even in late summer.

It is often said that natural disasters bring out the best in people, and I suppose that is true. But they bring out the worst in politicians, particularly when they occur during election season. Democrat, Republican, liberal, conservative, Bill Clinton, Jesse Helms—somehow these petty differences wash away in flood waters and torrential rains. What you're left with is a sincere desire by selfless leaders in federal, state, and local government to get people the help they need to recover.

If you doubted their sincerity here in Fran country, you had only to read the Federal Emergency Management Agency's official newspaper, *Recovery Times*, stuffed into your local fishwrapper a few days after the hurricane blew through. Subtitled "People Helping People," *Recovery Times* objectively reported on the front page: "North Carolina Gets Fast Help from FEMA and State." The banner headline splashed across page two was even more reassuring: "President, Gov. Pledge Fast, Compassionate Aid." Personal, caring messages (helpfully accompanied by photographs) from Clinton and North Carolina Gov. Jim Hunt, also running for re-election, assured stricken readers that "your government" will be "with you as long as it takes to help you on the road to recovery."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A Message from President Bill Clinton

A Message from Governor Jim Hunt

Disaster Questions and Answers

A few days after Hurricane Fran blew into town, the Federal Emergency Management Agency was busy with the vital work of polishing its image—along with those of various incumbents seeking re-election.

That road to recovery was paved with good intentions but incredibly wrong-headed government policies. North Carolina Attorney General Mike Easley, for example, decided shortly after the wind subsided to declare legal war against "those trying to make a quick buck at the expense of others." He called on citizens to report what they perceived to be price gouging to his office. Many did. Even more of them, however, took Easley's pronouncement as an indication that any price they didn't like was unfair, and the resulting haggling sometimes got nasty.

Tree-removal firms and self-employed carpenters probably got the worst of it. Already beset by the often-broadcast suggestion that homeowners hire only licensed contractors (monumentally stupid advice when rain is pouring through a hole in your roof and a skilled carpenter with plenty of experience and references is offering his services), these entrepreneurs were treated by many as guilty-until-proven-innocent.

"[Easley] gave customers the impression that every tree service is in town to rip people off," said the owner of one Charlotte-based firm that sent a crew to Raleigh. Her fellow tree-service owners called the attorney general's office to ask him what a "legal" price for tree removal was, and got no answer, making it impossible to defend their charges to angry customers.

AFTER ANY SERIOUS NATURAL DISASTER, gas-powered generators are perhaps the most sought-after items. Their scarcity is caused by a combination of their usefulness to those with freezers full of meat, the fact that the market for generators is pretty small in normal times, and state

regulation that forbids retail competition for electrical power (otherwise entrepreneurs would fill the gap between full service and no service by selling short-term, higher-priced power). If comments from retailers around here are any indication, generators will be even more scarce the next time we need them.

"I wish I had never seen a generator," said one retailer from nearly Lillington, tired of arguing with customers. "This is the worst thing that has ever happened to me in this business." Another retailer from Raleigh said that he sold his generators below retail and still got customer complaints. "We went out of our way to help people, and I'm not sure it was worth it."

Understood correctly, the law of supply and demand is just common sense. A bag of ice is worth more to an Arab than an Eskimo. Similarly, it is worth more to me after my refrigerator loses power than before. But a competing theory, often advanced in the aftermath of storms and other disasters, is that price-gouging occurs whenever price increases are not justified by increases in production cost. This is little more than the labor theory of value rearing its old and ugly head.

TWO STORIES FROM MY OWN NEIGHBORhood illustrate the inanity of this idea. The first involves Honda Yamaha of Raleigh, paradoxically located in the town of Garner just down the highway from the service station that mercilessly sold me the gasoline I needed. Honda Yamaha sold Garner resident David Carter a generator for about $2,000—hundreds more than what Carter omnisciently said was its "actual price." Another Honda Yamaha customer said he drove 300 miles to Richmond, Virginia, to buy a generator for a couple of hundred dollars less, and thought he was even gouged there. Ever since the hurricane, Carter and others have been picketing the store to protest its prices, even though they were roughly the same as those charged throughout the area.

I've heard variations of this story from numerous individuals, both friends and perfect strangers. Some customers have gone to Tennessee and South Carolina to find generators. In the telling, it never occurs to them that if retailers weren't brow-beaten by politicians like our attorney general, they might be able to raise their prices enough to induce faraway stores to sell or transport their generators to the afflicted area, thus alleviating the scarcity at least a little bit and eliminating all these road trips.

You can't repeal basic economic incentives with a government proclamation. Control prices after a hurricane, as North Carolina's state government did by fiat and some local governments did by ordinance, and you are making a conscious decision to force people to wait longer for help.

Only Marxists believe that a product's value is determined by its production costs or the amount of labor required to make it. In a free enterprise system, prices are subjective and depend upon the needs and preferences of consumers at a particular point in time. A price is a bundle of information. When it goes up, it signals producers to make more or redirect existing products to areas of higher demand. If you artificially keep a price low, regardless of consumer demand, then you create shortages, as we found in the 1970s with price controls on gasoline.

My second story is set just after Hurricane Hugo devastated South Carolina and Charlotte in 1989. My next-door neighbor then worked for a construction company in Raleigh. The day after the storm, I saw him packing up his pickup truck with a chain saw and other tools. "I'm taking the day off," he said, "and driving to Charlotte." He had heard that one could make really good money cutting trees and clearing debris.

WAS HE TAKING ADVANTAGE OF A DISaster? In a sense, of course he was. But if there were no prospect of making more money in Charlotte than at his job in Raleigh, he would have stayed put—thus reducing by one the number of skilled workers helping clean up Charlotte. Most people can't afford to take unpaid holidays and volunteer their time, or sell products below cost, or transport products from distant climes without compensation. (An aside: North Carolina's governor eliminated this barrier to compassion for state employees by giving them the week after the hurricane off, with pay. That meant that the rest of us had to pay millions of dollars in salaries to state employees out cleaning up their yards during the daytime, while we cleaned up our yards after work and on weekends.)

You can't repeal the basic incentive structure of economics with a government proclamation. Control prices after a hurricane, as North Carolina's state government did by fiat and some local governments did by ordinance, and you are making a conscious decision to force some people to wait longer for help. Let prices rise to the market level, and the supply of ice, water, food, gas, generators, and labor will expand as well.

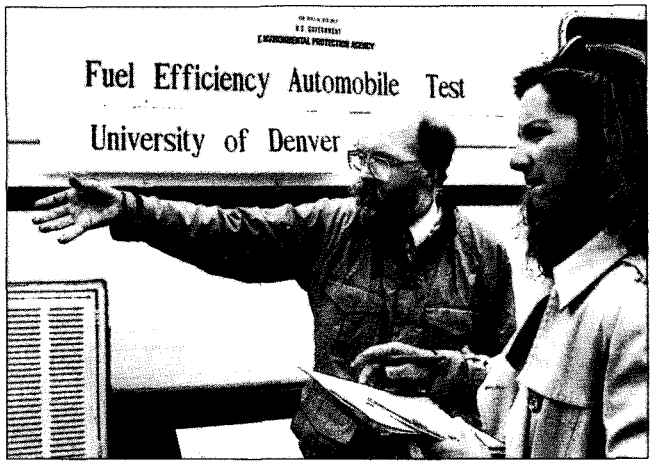
Politics, however, has a different set of incentives. On page three of *Recovery Times*, among a listing of all the grant and loan programs available to those clever people who didn't bother to buy insurance, victims of Hurricane Fran could find a number to call for "assistance in filing consumer complaints about disreputable business practices." Remember, it's about people helping people. ®

Contributing Editor John Hood (locke@interpath.com) is president of the John Locke Foundation, a Raleigh-based think tank quite probably still in need of a good building contractor—licensed or not, price negotiable.

Smogged Down

By Lynn Scarlett

Pollution-hating Californians discover there's no free lunch.



Donald Stedman: His research and others' show that older cars are not always gross polluters, and new cars sometimes are. California's program is aimed at catching the really dirty cars.

ONE SIGN READ, "U.S.A. not U.S.S.R." Another got more specific: "First you came for our guns, now you come for our cars!" Responding to a rallying cry from San Francisco radio talk-show hosts, an estimated 3,000 Californians showed up on August 22 in Sacramento to protest the state's new smog check program.

The demonstration was the tip of the iceberg. In August, 12,840 callers had deluged the state's hotline with queries about the program. Some feared their cars would be confiscated and scrapped—a fear provoked by talk-show rumors. Some complained about month-long waits to get mandatory retests of cars that had been deemed "gross polluters" by previous smog tests. Others fussed about the price tag of repairs.

Just months after the rollout of its program, California joined the growing list of states to experience public ire about more stringent smog check procedures crafted to satisfy federal Clean Air Act requirements. Some of the brouhaha over the program resulted from simple misunderstanding—the state was not, for example, seizing people's vehicles. Some of it came from the inevitable resentment of any program—however wisely planned and implemented—that would hit people directly in their own pocketbooks. And some of it resulted from procedural problems that left motorists on hold, in lines, or on waiting lists to get their cars tested.

Frustrating though these problems may be for motorists, the program is no mere "boondoggle" or further testament to government excess. It is what happens when the public gets what it says it wants. In poll after poll, Americans say they put a high value on environmental cleanup. A CNN/*USA Today*/Gallup poll finds, for instance, that 62 percent of Americans agree that "protection of the environment should be given priority even at the risk of curbing economic growth." Such sentiments run particularly strong in California, where even conservative politicians take care to cultivate a pro-environment image.

But if people really want further improvements in air quality, automobiles—*their* automobiles—are going to be affected. Cars are among the last targets from which significant additional reductions in air emissions can be wrung. There are, of course, better and worse ways to accomplish this end. But just about no way to accomplish these reductions comes without some pain to someone. There just ain't no free lunch.

Automobiles in general now account for as much as half of total air-pollution emissions in many U.S. cities. But these aggregate figures obscure a critical detail. Only a fraction of cars—around 10 percent—account for more than half of all vehicle emissions of carbon monoxide and hydrocarbons. It is these so-called gross polluters that California and other states are trying to target with their new smog check programs. The idea is to identify, through vehicle inspections, those cars that are *really* dirty and then require that they be repaired to reduce their emissions. It's a politically appealing idea since most motorists think the gross polluter is someone else—the neighbor's car with the plume of black smoke.

TARGETING GROSS POLLUTERS SOUNDS like a simple and sensible idea. The challenge lies in implementing it.

Gross polluters *are not* just all those smoking old junkers easily identified by make, model, and year. Stephanie Deason of Torrance, California, told the *Los Angeles Times* that her 1994 Chevy Blazer, with a hitherto undiscovered broken fuel injector, flunked the smog test as a gross polluter. So did Redondo Beach attorney Jason Schlossberg's 1989 Nissan 240SX.

As University of Denver researcher Donald Stedman and others have pointed out, older cars are not always gross polluters, and newer cars sometimes are. Moreover, new cars typically are driven more miles. Pollution effects result from how much stuff cars emit *and* how many miles they are driven. So just targeting all old cars—and leaving newer cars alone—won't suffice.

This situation presents regulators with their first big dilemma. How *can* they identify the gross polluters? One way is to test every single car on the road periodically. That's what many states do already, but testing every car is like trying to find drunk drivers by stopping every car on the road—and with the same results: lots of

inconvenience to everyone just to find a few offenders.

Next comes the repair dilemma. Old smog check programs managed to identify polluting cars (though fraud sometimes plagued these programs). But achieving emission reductions requires *repairing* polluting vehicles.

Real-world observations of California's smog check program from 1985 to 1992 suggest that the program fell far short of achieving predicted emission reductions. The old program simply failed to ensure that motorists invested in enduring repairs. Instead, what resulted was a "clean for a day" phenomenon. Motorists paid for just enough repairs to pass the test.

With tests scheduled only every two years, a quick (but temporary) fix was all that mattered. The average price tag for repairs under the old program was a modest $65. And state law even set repair-cost limits. Any car that could not be fixed—even temporarily—for below the limit got a special waiver.

THE NEW PROGRAM HAS NO WAIVERS FOR "gross polluters." Moreover, under the new program, repairs can be costly and, sometimes, even impossible. It cost Schlossberg $420 to fix his Nissan. Cindy Weidner of Folsom, California, told the *Sacramento Bee* it cost her $1,100 to fix her company truck. A pilot project conducted by California officials showed repair costs averaging $350 per vehicle.

Schlossberg generously conceded to the *Los Angeles Times* that "it doesn't bother me to pay to help with smog." Others are less sanguine about the tab. Even state officials have conceded that, for some people, the program might create hardships.

This is no minor matter. The city of Los Angeles evaluated car ownership and found that 32 percent of those driving gross polluters had family incomes of less than $10,000 per year.

A senior attorney with the Natural Resources Defense Council tried to sweep this issue under the rug by telling one reporter that repair costs would be minimal. The numbers belie this claim—and underscore that tradeoffs are real. Just how willing are people to pursue cleaner air at the expense of other values—for example, a desire by rich and poor alike for personal mobility?

California legislators have acknowledged the cost—and its potentially devastating impact on low-income families—by creating an "economic hardship extension." A poor person with a gross-polluting vehicle can, under this program, register the vehicle immediately without passing a smog check inspection. The owner then has up to 12 months to bring the car into compliance with state and federal emission standards. Motorists can also get a special one-time, two-year smog certificate waiver, after making certain repairs up to certain cost limit that vary by location. The waiver, according to the Bureau of Automotive Repairs, "may not be used for two consecutive Smog Check inspections." Both of these programs provide some flexibility and temporary "cost" relief to motorists. Unlike the old program, however, gross polluters cannot obtain repeated waivers.

Even state officials have conceded that, for some people, the program might create hardships. A pilot program showed repair costs averaging $350 per "gross polluting" vehicle.

The real test of Californians' commitment to cleaner air will come as more and more motorists—especially low-income motorists—find themselves shelling out hundreds of dollars to get repairs, sometimes for cars barely worth the cost of those repairs. Reestablishing repair cost limits and permanent waivers can overcome potential financial distress; such measures also weaken the potential effectiveness of the program.

Beyond this central tradeoff, most of the current problems with the smog check program involve more tractable—though politically charged—implementation details. Already, for example, California has reduced from 30 days to just five days the time it takes to get an appointment for a retest of a gross polluter at special test-only centers. And the wait at these centers has been substantially shortened.

But these quick fixes don't alter some program fundamentals. The new program still requires most cars to undergo periodic scheduled emission testing. New car buyers can opt out of the program for a couple of years—for a fee. Everyone else must spend time and money for a test that most cars will end up passing. Clean cars are punished along with the dirty few.

THIS IS WHERE REMOTE SENSING, NOW more popularly christened the "smog dog," comes in (See "Breathing Room," June 1994). The smog dog measures vehicle emissions using an infrared device set up along the roadside.

Its champions see the smog dog as an easy way to identify gross polluters without putting everyone through some kind of test. They also see the smog dog as an answer to the "clean for a day" problem. If people know they might be nabbed by the smog dog, they may be more mindful of keeping their cars in better working order to avoid a fix-it ticket or other penalties.

But the U.S. Environmental Protection Agency won't allow California (or other states) to rely just on the smog dog. In part, this is because current remote sensing technology does a poor job of measuring nitrogen oxide emissions, which make up a key smog-forming gas. A smog dog to measure NOX is already under way, however, and measuring NOX may not be that important anyway. Many gross polluters fail for *all* major emission gases.

The bigger dispute is more fundamental. EPA officials seem to think that *all* cars, not just gross emitters, need to be tested no matter what—and fixed to manufacturer operating standards—if smog check programs are to bring about substantial emission reductions. The smog

dog, they say, is not up to the task of testing every car on the highway.

This raises a philosophical more than a technical issue. Just how clean is clean? Is targeting and cleaning up the dirtiest 10 percent of vehicles enough? Air-quality research scientist Douglas Lawson, a former consultant to California's Inspection and Maintenance Committee, argues that getting the really dirty cars is a big enough challenge in itself—and, he argues, that's where the smog check ought to focus. That's where large emission reductions per dollar spent are possible.

The final irony is that lots of dollars and effort are being spent to establish a program that may be irrelevant in the relatively near future.

Out at the margin—where cars are just a little bit dirty—test and repair costs often remain just as high as for gross polluters. But dollars spent on these cars produce few, if any, emission reductions. Often, tinkering with these more marginal polluters actually results in no emission reductions. Sometimes, as Lawson found when reviewing a California Air Resources Board pilot project, these cars produce even more emissions *after* so-called repairs than before.

When presented with these arguments by California's Inspection and Maintenance Review Committee, EPA officials were unconvinced. And their opinion matters. It's the EPA that doles out emission-reduction credits to states. States that don't get enough credits (which have nothing to do with real-world, measurable emission reductions) for their clean air programs face all kinds of potential penalties. Some California motorists may resent the new smog check program. But it's the least-intrusive plan the state could implement and still meet EPA requirements. Without a rigorous smog check program, drivers could face odd-even driving day regulations. And the state

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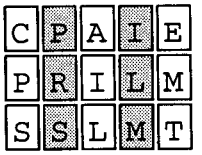

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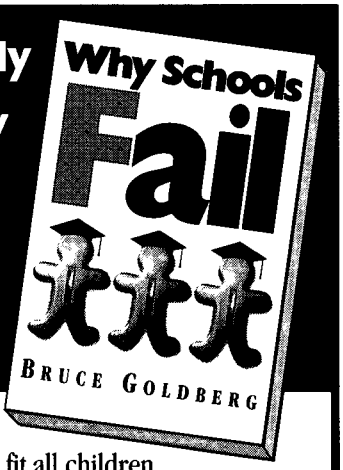

Bruce Goldberg argues that schools today, both public and private, attempt to fit all children into a pseudo-scientific one-size-fits-all system: "The denial of individuality is at the core of the failure of the schools." From Mann, to Piaget, to Hirsch, he says, the attempt to create a scientific theory of education has foundered on the fact of children's individual differences.

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could face restrictions on operations at the Port of Los Angeles and Los Angeles International Airport, or other similarly draconian measures.

THE FINAL IRONY OF THE SMOG CHECK UPROAR is that lots of dollars and effort are being spent to establish a program that may be irrelevant in the relatively near future. As more and more cars are equipped with on-board diagnostics that monitor vehicle emissions, special testing facilities may not be necessary at all.

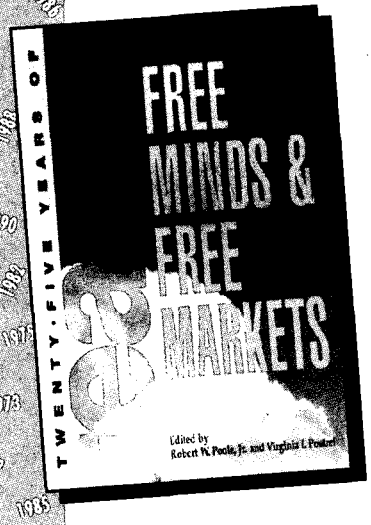
This longer time horizon should influence the design of current programs—indicating the importance of flexible programs that do not rely on massive near-term investments that may soon be obsolete. The prospect of pouring money into soon-to-be-obsolete equipment worries current operators of smog check stations. After all, it was just a few years back that they were asked to invest in tailpipe test equipment called BAR-90. Now California's new smog check program calls for tests to be done using dynamometers carrying a price tag of $35,000 or more to buy and install (a lot more if facility changes to accommodate installation are necessary).

With some foresight, California battled the EPA's insistence on an even more expensive type of dynamometer. And the state resisted implementing a program that would send all 20 million automobiles in the state to a handful of centralized testing stations that would have required lots of new investment.

Unlike California, Texas opted to stick with a modified BAR-90 type test, thereby avoiding any requirement that smog check stations invest in yet another new technology. Their choice was not simply the result of political acquiescence to repair shop lobbyists. Lawson and others, evaluating the relative performance of the new-fangled dynamometer and the old-fashioned BAR-90, found that the BAR-90 performed about as well as dynamometers in identifying the real gross polluters. The BAR-90 could not, though, measure NOX. And it didn't do as well testing the more marginally emitting vehicles.

So which equipment test type *is* better? Ultimately, the answer depends on whether we insist on failing—and repairing—just the really dirty cars, or whether we think most cars that operate above the standard for their make and model should be nabbed through smog checks. And that debate lies at the heart of just about all environmental cleanup programs. How much effort (and money and inconvenience) do people want to spend to achieve each additional bit of cleanup?

Lynn Scarlett (lynns@reason.org) is vice president for research of the Reason Foundation. She chairs California's Inspection & Maintenance Review Committee. This article represents her views, not those of the committee.



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Play (Regulated) Ball!

By John Berlau

The Consumer Product Safety Commission toys with kids' sports.

IN EARLY JUNE, SEVERAL REPORTERS gathered for an unusual press conference at the Baltimore Orioles' Camden Yards stadium. The main speaker was not Cal Ripken Jr. or some other baseball great, but a bureaucrat: Ann Brown, the chairman of the Consumer Product Safety Commission. She was using the ballpark to reel out statistics on her new pet cause —injuries in children's baseball. She bashed the traditional hardball as unsafe for children's play.

At the press conference, Brown touted a new CPSC report recommending softer baseballs with spongy cores made of polyurethane, rubber, or kapok, and protective equipment such as batting helmets with face guards, and break-away bases, which loosen from their anchoring on impact, for children's baseball leagues. "We want kids outside in the sunshine, not inside in an emergency room," she declared. According to the CPSC report, emergency rooms treated 162,000 children for baseball-related injuries last year—less than 1 percent of all children playing the game.

Brown didn't mention that, according to the only peer-reviewed studies on the subject, a softer ball might be even *more* likely to put a child in the emergency room than a standard ball. "These softer balls might reduce the sting, but they're not going to prevent you from getting killed," says David Janda, an orthopedic surgeon who heads the Institute for Preventative Sports Medicine in Ann Arbor, Michigan. Janda is an award-winning sports medicine researcher who spoke at the Pre-Olympic Medical Conference just before the 1996 summer games and has written a chapter for an International Olympic Committee textbook on safety in sports.

Consumer Product Safety Commission Chairman Ann Brown says baseballs aren't safe for children.

The baseball report is just one part of CPSC Chairman Brown's ambitious agenda. Children's sports are one of her "highest priorities," she has said, and she wants every playground in America to follow the CPSC's rules. She wants to develop guidelines for baseball and other activities that "will be a bible for the industry and jurisdictions."

Coming on the heels of the press conference, the agency also voted 2–1 to consider a petition to require all batting helmets to have attached face guards. To act on the petition, the commission would have to declare that a batting helmet without the face shield is a "hazardous substance" simply because it could be made safer. That position struck CPSC Commissioner Mary Gall as absurd. "Carried to its logical conclusion," she wrote in her dissent, "if a helmet with a faceguard justifies a ban of helmets without faceguards, helmets made out of kevlar (such as the military services might wear) might justify a ban on plastic helmets."

THE CAMDEN YARDS PRESS CONFERENCE was typical of Brown's colorful tenure as CPSC chairman. Appointed by President Clinton in 1994, the former toy safety activist at Americans for Democratic Action told reporters at one of her first news conferences, "I've never met a microphone I didn't like, and I plan to use this agency as a bully pulpit." Critics charge that Brown uses her "bully pulpit" to circumvent regulatory procedures, which have a lengthy notice-and-comment period, by pressuring companies afraid of negative publicity into "voluntarily" agreeing with her recommendations.

Former CPSC Commissioner Carol Dawson says that some of Brown's pronouncements are "worse than regulations, because they have not been subjected to the same scrutiny as a regulation has." Dawson notes that with Brown's pronouncements on soft baseballs and other issues, critics were never given a chance to air their views, as they would have in a formal notice-and-comment period.

And critics of the CPSC's soft baseball decision have quite a case. Sports medicine expert Janda charged in a letter to the agency that it was "step[ping] to the plate with a corked bat." Janda found that the softer balls the CPSC recommends frequently weigh more and can stick to the chest longer, and thus can hit the chest with greater force than standard balls do. A 1992 study by Janda and his research team, published in the *Clinical Journal of Sports Medicine*, reported that "all the tests and comparisons failed to demonstrate a significant advantage with respect to impact force reduction using softer core baseballs" and that softer balls sometimes "exacerbated impact effects."

In a small footnote to an appendix of its report, the CPSC acknowledged that the most recent of the 38 chest-impact deaths it has recorded since 1973 occurred last

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year after a child was struck with a soft baseball. Newspaper accounts report that the 6-year-old boy suffered a cardiac arrest after a ball his father gently lobbed to him bounced off his glove and hit him in the chest.

The CPSC stated that "the agency has found no convincing evidence that softer balls increase the risk of chest-impact death." It dismisses Janda's studies by charging that the pigs and crash dummies he "used to mimic chest impact deaths in children were not accurate representations of the way death occurs to children on the baseball field." Janda points out that while no models can perfectly simulate the effects on children, the crash dummies he used were of the same quality that the Department of Transportation uses in crash tests. Furthermore, he notes that CPSC officials gave his study a thumbs-up before it was published.

The agency conducted no original research to substantiate that soft baseballs were safer. Susan Kyle, the CPSC report's author, says that Janda's studies were "the only ones we could find" on the subject of chest impact. Janda found only a 4 percent to 8 percent lower risk of head injuries from soft baseballs. But he doesn't believe that compensates for the *increased* risk for chest injuries—especially since most of the 68 ball-impact deaths the CPSC has recorded since 1973 involve the chest.

"His study was pretty tight," says Robert Verhalen, who reviewed Janda's study as associate executive director for epidemiology at the CPSC in the early '90s. "The commission seems to have rejected his study out of hand." Verhalen, who is now retired, adds, "They run off with less data than that when it's a cause they're in favor of."

"IT'S VERY FRUSTRATING FOR US TO spend 12 years of research on a subject and then have the government come in and disseminate the wrong information," Janda says. This baseball controversy illustrates that government agencies hardly ever just disseminate information—especially when they issue safety recommendations. The newsletter *Sporting Goods Intelligence* reports that the agency has "float[ed] the idea of requiring labeling on balls saying which ones are appropriate for younger players."

The CPSC report notes that at least five cities already require organized children's baseball leagues to use the softer balls, and the report will likely encourage more to follow suit, even absent regulations. Though the CPSC has no jurisdiction over organized children's baseball leagues, its recommendations will likely spur lawsuits against leagues not using the equipment it recommends.

"When regulation by press release replaces statutory procedure, it's time to consider non-government alternatives," says former CPSC Commissioner Carol Dawson.

"You just know there's going to be more lawsuits if a federal official makes a splashy presentation," says Walter Olson, a senior fellow at the Manhattan Institute and author of *The Litigation Explosion*. "It changes the climate, gets lawyers more interested, and raises the visibility [of an issue]." No federal regulations require soft baseballs (yet), but Olson points out that once the matter gets into a courtroom, "no one knows what's lawful or what isn't when you're dealing with liability."

If a child is injured by a hardball, a jury could be swayed by the fact that a federal agency recommended the softer ball and consider a team negligent for not using one—even though the injury might have been worse if a softer ball had been used. Bill Owens, a coach and equipment manager for the Youth Leagues in Boston, says the owner of a baseball camp confided to him that the camp used soft baseballs because of potential liability even though the owner did not know if the balls were safer.

THE CPSC WAS CREATED IN 1972 DURing the Nixon administration's great regulatory expansion, which also blessed us with the Environmental Protection Agency, the Occupational Safety and Health Administration, and the National Highway Traffic Safety Administration. The CPSC has broad power to regulate just about every product "for sale to a consumer for use in a household..., school, in recreation, or otherwise." In years past, the agency has effectively banned children's cotton pajamas because of their flammability (and encouraged the use of a flame-resistant material that was later found to be a potential cause of cancer) and banned lawn darts because of one death due to misuse. Until recently, however, the commission had not been nearly as active as other federal agencies because of its lengthy rule making process and realtively small budget.

Current Chairman Brown is finding creative ways to get around these restraints on CPSC power. A particularly striking example of her broad reach occurred in 1994, when she voiced alarm about the movies *Lassie* and *Richie Rich* because they portrayed children riding in all-terrain vehicles in an unsafe manner. The CPSC's general counsel said he was looking into claiming jurisdiction on the grounds that the movies are consumer products.

Frustrated at the agency's overstepping its jurisdiction and disregard for traditional rulemaking, former Commissioner Dawson now advocates that her old agency be phased out. "The CPSC may have outlived its usefulness," she says. "When regulation by press release replaces statutory procedure, it's time to consider non-government alternatives."

Without the CPSC, Dawson suggested in a paper for Consumer Alert, product safety could be handled by a combination of product liability and voluntary standard-setting organizations, nearly 270 of which already exist. The most famous is Underwriters Laboratories, which for about 100 years has certified the safety of many electrical appliances with its "UL" mark.

Sporting equipment also provides a good example of how the private sector can improve safety on its own. The National Operating Committee on Standards for Athletic Equipment was formed in 1969 as a joint effort of college and high school athletic associations to set standards for equipment in games. It is funded by private donations and fees that equipment companies pay to carry the NOCSAE label. After college and high school athletic associations adopted the NOCSAE standard for football helmets, manufacturers immediately complied and the numbers of head injury fatalities and serious head injuries dropped by more than 70 percent. NOCSAE's standard for baseball batting helmets is also widely followed.

Similarly, the ASTM (formerly American Society for Testing and Materials) has been around since 1898 and publishes over 10,000 product standards each year. It has over 35 subcommittees to set standards for sporting goods, and is funded by selling publications of its standards.

More recently on the scene is Janda's Institute for Preventative Sports Medicine, which began in 1989 and did the research on soft baseballs, as well as research on soccer goals and shin guards, without a dime of government money. It is funded by individuals and corporations—but not by equipment manufacturers, whose money Janda refuses to avoid the appearance of a conflict of interest. He and other physicians receive no salaries for the research they conduct, and some former professional and Olympic athletes also volunteer their time.

"All of us at the institute feel that if you're doing worthwhile endeavors, that does not have to be supported by the government; it can be supported by individuals and corporations," Janda says. "It's not the sole responsibility of the government to support organizations that are doing high-powered work."

These private safety organizations do not always agree. Janda's group strongly disagrees with NOCSAE's standards for baseballs, which favor the softer balls. NOCSAE criticizes the ASTM's standards for face guards. But as long as no particular device is mandated by law, individual teams and leagues can look at the information and decide what types of devices are appropriate for them. The disagreements, coupled with competition in the marketplace, will probably lead to better products.

The most important parties in deciding on standards for children's sports are the coaches. Although they know that risk is inherent in sports (as it is in life), and that safety must be balanced with cost and competitiveness, they take safety very seriously. Youth Leagues coach Owens, for instance, weighs balls with a balance scale in his basement and has teams in the league experiment with new types of balls and face guards. After testing 24 soft baseballs, he found that one quarter exceeded the league's weight limits and many bounced excessively in the field.

If a child is injured by a hardball, a jury could be swayed by the fact that a federal agency recommended the softer ball—even though the injury might have been worse if a softer ball had been used.

The CPSC's recent report on soft baseballs, which he calls "off base," confirmed his belief that the government has no business interfering with the way he selects equipment for the league. "Why should the government get involved in it?" Owens asks. "Why can't people handle their own affairs? What's this idea that the government knows more than we know? When the government gets involved in things, the tendency is to screw things up rather than make them better." ®

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Kathie Lee & Me

By Thomas W. Hazlett

Downsize these moral poseurs!

THE CRUELEST AMONG US WERE DElighted when the homecoming queen of daytime TV, Kathie Lee Gifford, found herself in a bit of a stew over the child labor used to stitch together her affordably priced line of apparel. The pundits couldn't resist the visual: Priss Lady Perfect cracking the whip on hapless Third World laborers. "Work! Push! Cody needs a new pony!" mocked one.

Her public image as tattered as the meager frocks worn by adolescent seamstresses in Central American sweatshops, Kathie Lee did the noble thing. She traveled to Honduras to make absolutely certain that proof of age would be strictly required for entry to all work facilities. Then she jetted back to Washington, D.C., to engage the president of the United States in a sophisticated, far-ranging dialogue on the political economy of exploitation. The consensus solution: Stop the madness by prohibiting the exported fruits of child labor.

It was a gala press conference, and both Our President and Ms. Gifford certainly felt the Little People's pain. And that was a big turnaround for the co-star of *Live with Regis and Kathie Lee.*

But the hipsters who howl in ecstasy at the very thought of Kathie Lee feigning humanity for Camera Three are likely to be down at the bookstore putting Michael Moore's *Downsize This!* on the best-seller list. Such cynics, for all their scofflaw bravado, are mere romantic buffoons. Wrapped in a warm cocoon of self-righteousness, they believe that all of life is a morality play.

It is an outrage to them that commercial transactions dominate our lives. It is an outrage to me that so many would put their public preening ahead of the welfare—and freedom—of their fellow man. The single best thing Kathie Lee has ever done for others is the one thing she never had to think about: making herself rich and famous.

As grotesque a thought it is to all involved, Kathie Lee and Michael Moore are the very snuggliest of bedfellows. Both tingle when enmeshed in a huge, indulgent conceit: that their public poses matter in real lives. Their passions are, in fact, so many harumpphhs of the idle rich and yawners to the world's down and out. In a delicious irony, however, both have something of substance to succor a modicum of poverty. It is as million-dollar corporate profit centers—TV shows, books, cruise-ship flacking, movies—that they have generated actual value for themselves and their fellow man. And it is only this commercial gross margin (exploitation?) which allows Kathie Lee and Comrade Moore to matter to anyone at all.

MORE POWER TO THEM—NOT. BECAUSE, in fact, our do-right duo—wracked with the guilt of capital gains—yearns to seize so much additional power. Beyond what they might produce, beyond what they might donate, beyond what they might wish for, they extrapolate the indulgence of feel-goodism past their own portfolio. Ms. Gifford proudly lobbies for laws prohibiting imports tainted by child labor, while Mr. Moore snarls at NAFTA and GATT and any public policy that allows U.S. companies to import basically anything at all. Boffo! Helping the poor and oppressed by banishing their products from our shelves!

Like Gifford, Moore believes in a *personal, meaningful* relationship with the marketplace. If jobs are shifted from, say, autos, to, say, semiconductors, that can only be proof of the existence of evil. Only a bad man would want to take away the life we grew up with in Flint, Michigan, with Pop at the GM plant and Mom at home with the kids. Paradoxically, such a nice life was made possible by perhaps the meanest man of all times, Henry Ford.

It wasn't Mr. Ford's soul that brought the American auto industry to world prominence—it was his soulless efficiency. That this redounded to the (huge) benefit of his workers and customers—and the workers and customers of his many competitors—was ironic. Indeed, it is the central irony of social life that people do good by doing well.

One of F.A. Hayek's great insights was his explanation of the chasm dividing "value" and "merit." The former is a product of forces not wholly within the grasp of any one person; it is what the "market"—consumers forking out—will bear. The latter is the goodness of a man; it is how well he behaves, holding all of us constant.

The idealistic boys and girls who dot the public stage and who inevitably dominate the media by striking moral poses will never tire of berating this state of nature.

But, as Hayek aptly posited, this helplessness in the face of market forces is the protective coating of a free society. Because the market allocates according to value, consumers realize their liberty. Better yet, merit is safely respected—as its own reward. When the rules are set such that values are allocated on merit is the instant I muscle-up to abscond with a charter membership on the Merit Board. Because the last place in the world any sane person wants to be is the island where Michael Moore gets to rig the leading indicators, and Kathie Lee gets to decide how much people are worth. ®

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